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CENTRAL EURASIA



FBIS Report: Central Eurasia

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**Past Relations With Mountain Peoples,
Abkhazian Conflict Viewed**

934C0212A Moscow ROSSIYSKIYE VESTI in Russian
28 Oct 92 p 2

[Article by A. Gubanov: "Russia and the Mountain Peoples: Not to Become Enemies!"]

[Text] The well-known ethnographer Nataliya Volkova believes: "The history of relations with the mountain peoples compels Russia to occupy a special position in the Abkhazian conflict."

The "parade of sovereignties" which has begun forced the Russian authorities to be highly cautious with the autonomies and to occupy a sufficiently one-sided position in the Abkhazian conflict. The effect, however, turned out to be quite the opposite: The separatist tendency intensified in North Caucasus and the idea of an independent Mountain Republic evolved into a real prospect. In this situation the question arose concerning elaboration of new priorities in Russian policy in the Caucasus.

"Caucasian Wars" Is Not The Entire Story

The formulation of incompletely thought out approaches by Russian diplomacy (today it is difficult not to admit that there have been errors) to the resolution of the "Caucasian problem" was most probably promoted by a series of false premises. For instance, certain politicians and observers began to strongly promote the idea of placing the Georgians in opposition to the mountain peoples in their historical relation with Russia. The former are represented as being always loyal and friendly, while the latter—as "unsubdued" and "aggressive." This, naturally, leads to a conclusion as to the possibility and feasibility of having an accord with one or the other people.

At the same time such counterpositioning is basically incorrect. The history of mutual relations between Russians and their neighbors, naturally, was not always simple. But let us note that from ancient time Russians and the mountain peoples have been attempting to find a common language and a basis for friendly and mutually advantageous relations. As early as in the fifties of the 16th century an outpost sprang up on the Terek, where many mountain people found refuge from raids by the Crimean Khan. They settled down in that small Russian fort, went to work, and started families and households. Soon some families of the nobility made their appearance there. Numerous emissaries passed through the city of Terskiy coming to the Caucasus from Moscow, bearing rich gifts for the rulers there. They, in turn, showed respect for the Russians by giving "wool" i.e. pledging their friendship and loyalty.

Russia used a minimum of force in its policy toward the peoples of the Caucasus right up to the 19th century. The numerous "Caucasian wars" were certainly not waged against the mountain peoples, but against Turkey and

Iran. On the contrary, many of the mountain peoples participated on the side of Russia against the Turks.

The thesis about the "confessional incompatibility" of the mountain peoples and Russians is not too persuasive either. Valentin Golikovskiy, chaplain of the Kuban Cossack Troop, for instance, in an interview with NEZAVISIMAYA GAZETA on 10 October, remarks: "The Georgians are an Orthodox people, just like us, most of the Abkhazians, however, are Moslems." Because of that a clash with an alien world is purportedly unavoidable. We will say frankly that this is a risky statement. As far as the Abkhazians are concerned, the "Islamic factor" in their mentality is a minimal one. Only a small part of them accepted the Moslem religion in connection with the intensified influence by Turkey in the 17th century. At the same time throughout that period there was not a single mosque on Abkhazian soil nor was there a single mullah from among the Abkhazians.

Of course it would be incorrect to portray the historical relationship between Russian people and the mountain peoples only in a rosy light. The cruel war of 1816-1864 and subsequent military clashes produced a mass exodus of Abkhazians into Turkey. Even after that, according to the 1886 census, some 86 percent of the Abkhazian indigenous population was still living in Abkhazia.

We Would Have Learned Russian...

At present Abkhazians make up only 17 percent of the population in Abkhazia. This is a result of the policy of Georgianization of Abkhazia connected in the thirties with the name of L. Beriia, which lasted right up to recent time. But, God forbid, for one to accuse ordinary Georgians of that—they themselves were often forcibly "relocated" to Abkhazian soil where, by the way, the climate is not quite customary and acceptable for Georgians. Men, women, children, and old people were crowded into vehicles and taken, as a peculiar kind of landing parties, to Abkhazian villages. Abkhazian culture, customs, and language were subjected to persecution. In 1937 the Abkhazian written language was even converted to Georgian script and it was only after the death of Stalin that the "status quo" was restored. It turned out that with the attempts to "forbid" the Abkhazian language its representatives stubbornly shifted to Russian which became practically native for part of the Abkhazians—of those living in cities.

The inexorable laws of history indicate that a small nation is always dependent to varying degrees on the larger and stronger one. The Abkhazians have traditionally preferred the Russian orientation. But, of course, it was long ago necessary to commit to oblivion such concepts as: "In 1810 Abkhazia joined the Russian empire voluntarily and happily." Freedom-loving mountain peoples generally do not tolerate rigid subordination and the only relationship with them that is promising and without conflicts is one which includes mutual respect and mutual advantage.

It is apparently due to the forced Georgianization that the aspiration of Abkhazians to enter the Russian Federation is so constant. Since the fifties anti-Georgian disturbances in Abkhazia have taken place approximately every ten years. The perestroika that was started provided further impetus in that direction. At a meeting of thousands in 1989 in the historical center of the republic called Lykhny an appeal was signed to Gorbachev regarding the entry of Abkhazia in the RSFSR, which, by the way, remained unanswered.

An Accent—In Language and Politics

As commonly known, scum also frequently appears on a wave of growing nationalism. Anti-Abkhazian moods have grown considerably more intense in recent years in the Georgian community. A recurrent theme of the speeches given by some Georgian political and social figures has now become the thought that Abkhazians in Abkhazia are a foreign people and therefore "they should go back to the mountains." Relations between Abkhazians and Georgians became exacerbated, the events of 14 August being a consequence of that.

The accent in the speech and politics of Abkhazians became even more pro-Russian. At the same time the Ministry of Foreign Affairs of the Russian Federation failed to react to that tendency in any way. It is understandable that Russia stands for preservation of the territorial integrity of Georgia. At the same time the history of relations with the mountain peoples compels the Russians to occupy a special position in the Abkhazian conflict.

Rejection of traditional responsibility for the fate of the mountain peoples is fraught with danger. A one-sided approach to the resolution of the Abkhazian conflict will inevitably lead to the loss by Russia of North Caucasus. At the same time it is possible to predict with confidence that the authority and influence of the KNK [Confederation of Caucasian Peoples] will grow in the near future just as the possibility of the formation of the Mountain Republic. After the loss of North Caucasus the southern Russian border can also become "engulfed": the KNK will lay claim to part of the land of the Krasnodar Kray. Use of force by Russia, however, would just lead to yet another "Caucasian war."

What is the solution? Respecting the sovereignty and national integrity of Georgia, Russia cannot assume a firmer, thoroughly worked out position in the Abkhazian conflict. The interests of all sides must be considered.

First of all it is necessary to achieve the withdrawal of forces of the State Council from the Abkhazian territory.

As far as the political aspect of the question is concerned, the conflict surrounding Abkhazia can hardly be resolved without concluding a federative agreement between Georgia and Abkhazia. In practice this would signal a return to the 1925 constitution.

Sochi Hit by Influx of Abkhazian Refugees

934C0212B Moscow NEZAVISIMAYA GAZETA
in Russian 22 Oct 92 p 6

[Article by I. Chernov: "Sad Results of War"]

[Text] The administration of the resort of Sochi summarized the results of the two-month old conflict in neighboring Abkhazia. Some 40,000 refugees were counted passing through the city, while the number of those who were uncounted was even greater according to the administration. According to the Sochi Administration of Internal Affairs no less than 20,000 Abkhazian citizens, for the most part Armenians and Georgians, settled at the resort. They demand to be officially recognized as refugees, registered, and given employment. Thus far the authorities have refused but it is already clear that these people do not intend returning to their destroyed homes. Processing, temporary housing in sanatoriums, and transportation of refugees to other cities substantially drained the resort budget. According to Nikolay Karpov, head of the city administration, direct losses alone amounted to 40 million rubles. The immigration committee of the Russian Federation promised to compensate these losses, but so far only 12 million have been returned to the city.

The direct losses, however, are hundreds of times smaller than those sums which Sochi lost as a result of combat operations: since the middle of August sanatoriums and boarding houses at the resort had an occupancy of only 30-40 percent. People fear going to Sochi, even though it is peaceful in the city, and the proliferation of crime is much smaller than in other cities of Russia.

In two months Sochi hospitals treated 116 wounded, with several guardsmen of the State Council of Georgia among them, along with "Mkhedrioni" fighters, and members of the Abkhazian militia, but there was a larger number of innocent civilians who suffered in the cross fire and air raids. The city health department of Sochi spent 3.5 million rubles on medications for the wounded alone.

POLITICAL AFFAIRS

National Salvation Front Draft Rules

934C0227A Moscow DEN in Russian 25-31 Oct 92
pp 2, 3

["Draft Rules of the National Salvation Front"]

[Text]

General Provisions

1.1. The National Salvation Front (henceforward NSF, the front) is a mass popular patriotic movement uniting the supporters of state unity and social justice.

1.2. The front operates on the territory of the Russian Federation in accordance with the Constitution and laws of the Russian Federation.

1.3. The front participates in the formation of elective organs of power and administration of all levels and pursues its policy via the front's representatives in the organs of state power.

1.4. The front is a legal person and has its own seal, stamps, emblems, flag, and other requisites necessary in its work.

1.5. The front's directive bodies are located in Moscow.

Purposes and Tasks

2.1. The purposes and tasks of the front are:

2.1.1. Furtherance of the stabilization of the social and political and socioeconomic situation in Russia.

2.1.2. Preservation of the state unity of the peoples of Russia.

2.1.3. Defense of the social rights and interests of the citizens.

Membership

3.1. Participation in the activity of the front is exercised on both an individual and group basis.

3.2. Any citizen of Russia who has attained to 18 years of age and who supports the front's program documents may be a member of the front.

3.3. Admittance to the National Salvation Front is effected in accordance with the decision of a front support group or in accordance with the decision of the directive body of a regional branch of the front or in accordance with the decision of a central body of the front.

3.4. For actions violating the rules of the front a member of the front may be expelled from the NSF. Expulsion from the front is effected in accordance with the decision

of the body which adopted the decision on admittance to the front or in accordance with the decision of a superior body of the front.

3.5. A member of the National Salvation Front has the right:

3.5.1. To participate in all activities of the front.

3.5.2. To vote and to run for any elective office in the directive bodies of the front.

3.5.3. To withdraw from the front voluntarily.

3.6. Voluntary withdrawal from the front is effected on the basis of the front member's notification in writing.

3.7. A member of the front is required:

3.7.1. To comply with the requirements of the rules of the NSF.

3.7.2. To voluntarily fulfill his adopted pledges.

3.8. Any public and social and political organization, party, movement, and association and their regional branch or other union of citizens supporting the program documents of the front may be a group member of the front.

3.9. Group members are admitted in accordance with the decision of the front Political Council or in accordance with the decision of the directive body of the corresponding regional branch.

3.10. Retaining full autonomy of activity according to its rules and program documents, the organization which is a group member of the front has the right:

3.10.1. To participate in all activities of the front.

3.10.2. To nominate its representatives for any office in the directive bodies of the front.

3.10.3. To adopt statements, appeals, and resolutions reflecting their [as published] particular position on this question or the other.

3.10.4. To voluntarily withdraw from the front.

3.11. An organization which is a group member of the front voluntarily withdraws on the basis of a decision of its directive body.

3.12. An organization which is a group member of the front is required to comply with the requirements of these rules.

3.13. For actions violating the rules of the front and its program documents an organization which is a group member of the front may be expelled from the front in accordance with the decision of the front National Council or the directive body of the corresponding regional branch of the front.

Central Bodies

4.1. The highest authority of the NSF is the **congress of the front**. The congress may adopt any decisions pertaining to the activity of the NSF.

4.2. The NSF congress:

4.2.1. **Determines the front's positions on key issues of social and political life and adopts program documents.**

4.2.2. **Establishes the procedure of the formation of the front National Council.**

4.2.3. **Adopts the rules of the front and amendments and addenda thereto.**

4.2.4. **Adopts the decision on the disbandment of the front.**

4.2.5. **The adoption of the rules of the front and amendments and addenda and also the decision on the disbandment of the front is within the exclusive competence of the congress of the front.**

4.3. The congress of the front meets as necessary, but at least once every two years. The delegates to the congress are elected at conferences of the regional branches of the front and are also delegated directly by the group members of the NSF.

4.4. A meeting of the congress is deemed competent if more than one-half of the registered delegates participate therein.

4.5. In the period between congresses the National Council and the front Political Council are the central directive bodies.

4.6. The front National Council:

4.6.1. **Determines the main directions of the front's activity and its action strategy in the current situation.**

4.6.2. **Adopts decisions, resolutions, addresses, statements, and appeals reflecting the front's positions on this issue or the other.**

4.6.3. **Elects the Political Council and the cochairmen of the front.**

4.6.4. **Receives accounts of the Political Council and the cochairmen of the front.**

4.6.5. **Elects the auditing commission and receives its reports.**

4.6.6. **Convenes the congress of the front and determines the quota of representation at the congress.**

4.6.7. **Expels group participants in the front.**

4.6.8. **Confirms decisions on the co-option of new members of the Political Council.**

4.7. The National Council may adopt any decisions on questions of the activity of the front other than those which pertain to the exclusive competence of the congress.

4.8. Sessions of the National Council are convened by the front Political Council as necessary, but at least once every three months.

4.9. The front National Council is formed from representatives of regional branches of the front and group and individual members of the NSF.

4.10. A session of the National Council is competent if more than one-half of registered members of the National Council participate in a meeting thereof. Decisions of the National Council are adopted by majority vote of the number of council members present.

4.11. Permanent and temporary commissions may be formed under the auspices of the National Council and on this issue or the other.

4.12. In the period between sessions of the National Council the highest directive body of the front is the NSF Political Council.

4.13. The front Political Council:

4.13.1. **Determines the NSF's positions on current issues of social and political life.**

4.13.2. **Exercises overall leadership and coordination of the actions of organizations of the NSF and its group participants.**

4.13.3. **Adopts decisions, resolutions, statements, addresses, appeals, and other documents reflecting the positions of the front and the directions of its activity.**

4.13.4. **Forms the executive bodies of the front and determines their competence.**

4.13.5. **Approves the budget of the front and the statement of its results.**

4.13.6. **Establishes the amount of the membership dues and the frequency of their payment.**

4.13.7. **Convenes sessions of the National Council.**

4.13.8. **Admits group members of the NSF.**

4.14. Meetings of the Political Council are convened by the cochairmen as necessary, but at least once a month.

4.15. A meeting of the Political Council is competent if more than one-half the members of the Political Council participate therein. Decisions of the Political Council are adopted by majority vote of the members of the Political Council present.

4.16. The Political Council may coopt up to one-third of its composition.

4.17. In the period between meetings of the Political Council current leadership of the activity of the front is exercised by the cochairmen of the front.

4.18. Supervision of the use of the financial resources and assets of the front is exercised by the Auditing Commission elected by the National Council.

4.19. The Auditing Commission exercises supervision of the use of the financial resources and assets at the disposal of the front.

Primary Organizations

5.1. The primary organization of the front is a front support group numbering no fewer than three persons.

5.2. Decisions of the support group are adopted at a meeting of the group by majority vote of those present.

5.3. The support group is headed by a leader elected at a general meeting of members of the group.

5.4. The organizational structure of the NSF is built in accordance with the administrative-territorial division of the Russian Federation.

5.5. A regional branch of the front incorporates subordinate organizations of the NSF, local branches of all-Russia public organizations which are group members of the NSF, local public unions and associations, primary organizations of the front, and individual citizens.

5.6. The directive bodies of the regional branch of the front are its conference and committee.

5.7. Delegates to the conference are elected at conferences of the subordinate organizations of the front and meetings of support groups and are also delegated by group members of the front.

5.8. The conference of a regional branch of the NSF:

5.8.1. Determines the organization's positions on this issue of social and political life or the other.

5.8.2. Elects the regional committee of the NSF and determines the quota of representation therein for group members.

5.8.3. Expels group members of the regional branch of the NSF.

5.9. A session of the conference is deemed competent if more than one-half of registered delegates participate therein. The conference's decisions are adopted by majority vote of the delegates present.

5.10. The conference is convened as necessary, but at least once a year.

5.11. The activity of the regional branch of the front in the period between conferences is directed by the regional (oblast, kray, republic, okrug, city, rayon, community) committee of the NSF.

5.12. The regional committee of the NSF:

5.12.1. Determines the positions of the regional branch of the front on this issue or the other.

5.12.2. Adopts decisions, resolutions, appeals, and statements.

5.12.3. Coordinates the actions of the organizational structures.

5.12.4. Elects and dismisses the chairman of the committee.

5.12.5. Approves per a representation of the chairman the structure of the executive bodies.

5.12.6. Admits group members of the regional branch of the front.

5.12.7. Convenes the regional conference of the NSF and determines the quotas of representation at the conference.

5.13. A meeting of the committee is competent if more than one-half of the members of the committee are present thereat. Decisions of the committee are adopted by majority vote of the committee members present.

5.14. Meetings of the committee are convened as necessary, but at least twice a month.

5.15. In the period between meetings of the committee the activity of the regional organization is directed by the chairman of the regional committee.

5.16. The chairman of the committee:

5.16.1. Exercises operational leadership of the activity of the executive bodies and organizational structures.

5.16.2. Manages the finances and assets of the regional organization of the NSF.

5.16.3. Represents the regional organization of the NSF in relations with state and public organizations.

5.16.4. Convenes meetings of the regional committee and presides at them.

5.16.5. Delegates this authority or the other of his to his deputies.

Rights and Assets

6.1. The NSF as a whole and also its branches, organizations, and structural subdivisions may be legal persons in accordance with legislation of the Russian Federation and have all the requisites of a legal person: their own name, their own balance sheet, exclusive assets, bank accounts, emblem and symbols, letterheaded forms, seal with their own emblem and their own name and corner stamp.

6.2. For the purpose of realization of its statutory tasks the National Salvation Front and also its regional branches:

6.2.1. Participate, in accordance with the Constitution of the Russian Federation, in the formation of the organs of state power and administration and in the formulation of their decisions and represent and defend the legitimate interests of their members in state and public bodies.

6.2.2. In accordance with the Election Act, nominate candidates for elective office in organs of state power and administration, by unified list included, engage in election canvassing, and form groups of their supporters in the representative organs of state power.

6.2.3. In the procedure established by legislation have title to movables and real property and conclude juridical acts and legal transactions.

6.2.4. For the purpose of the accomplishment of their statutory tasks engage in publishing activity, establish press organs and periodical publications and other mass media, and independently distribute and sell printed products.

6.2.5. Devise and implement social and cultural-educational programs and create academic and educational institutions and youth and children's organizations.

6.2.6. For the purpose of the accomplishment of their statutory tasks may engage in all types of charitable, business, and production activity not prohibited by legislation and institute and create foundations, branches, affiliates, organizations, and business and industrial enterprises.

6.2.7. Enjoy other rights not conflicting with current legislation.

Financial Resources

7.1. The financial resources of the NSF are formed from membership dues; donations and charitable contributions from the citizens and enterprises, establishments and organizations; income from the publishing, business, and production activity of the NSF and its enterprises; bank credit; other sources not in conflict with current legislation.

7.2. A cochairman of the front, in accordance with a decision of the NSF Political Council, within the framework of the budget approved by the front Political Council, has the right to dispose of the finances of the NSF. The cochairman is accountable in his financial activity to the National Council and Political Council of the front.

7.3. Branches and organizations of the NSF manage their own financial resources independently.

Termination of Activity

8.1. The NSF is disbanded by a decision of the congress adopted by a two-thirds majority of the congress delegates.

8.2. Following the payment in the procedure established by law of the NSF's debts, its remaining financial

resources and assets are used for purposes determined by the front rules, in accordance with a decision of the liquidation commission.

NSF Activities Calendar

934C0228A Moscow DEN in Russian 25-31 Oct 92 p 5

["Front Activities"]

[Text] 24 October—Congress of the National Salvation Front (NSF).

From 26 October—Meetings on the establishment of NSF branches in each population center of the country, in each labor collective.

7 November—Demonstrations, rallies, meetings, marches conducted according to plans of NSF organizations. Slogans:

for human dignity,

for unity of the country,

for the rights of the individual,

for the future of our children,

for peace and security in every home.

10-20 November—Formation, jointly with law enforcement organs, of people's detachments for protecting the population from banditry, illegal activity, and interethnic conflicts. Development and submission to the Russian Federation Supreme Soviet of emergency measures to fight crime.

12-14 November—International scientific and practical-application conference "To Save and Regenerate the Country's Economy."

17 November—Opening of the youth forum "The Nation's Future—Under Threat."

20 November—Publication of addresses and telephone numbers of NSF branches at republic, oblast, kray, and rayon levels. Issue of information bulletins.

25 November—Promulgation of front proposals to the Russian Federation Supreme Soviet on the composition of a government of national trust and its program of action.

29 November—Republic rally "Russia—the People's Power." Directives to the Russian Federation Congress of People's Deputies.

20-30 November—Departure of NSF delegations for Baltic military garrisons. Actions to protect the rights of military servicemen and their families.

1-15 December—Meetings with people's deputies in labor collectives. Reports. Appraisals. Recall of deputies of the "treason party." Pickets. Telegrams. Collective appeals.

7 December—"Day of the oppressed." Anniversary of the Belovezha conspiracy. Raising of red and black-gold-white flags with bands of mourning.

12 December—All-Russian protest in defense of those who have suffered robbery and outrage, in support of refugees and political prisoners. Pickets. Assistance. People's embargo against shipments to racist Estonia.

14-20 December—Funds collection week for the patriotic press, establishment of its distribution network. Actions of moral disdain for spokesmen of the "treason party."

15-25 December—Session of the public tribunal for investigating the antipeople, antistate activity of citizen M.S. Gorbachev.

22 December—Anniversary of the first campaign against the "empire of lies." The nature of activities will depend on the implementation of decisions of the Congress of People's Deputies on state information policy in the country.

30 December—Day of unity. All-Union roll call of political forces. Conclusion of a treaty on joint activities to effect revival of the historical brotherhood of our peoples.

National Salvation Front Refuses To Capitulate

934C0226A Moscow KOMSOMOLSKAYA PRAVDA
in Russian 30 Oct 92 p 1

[Article by V. Kosyak: "Do the Officers Want To Go to the Front?"]

[Text] It looks like the National Salvation Front, which on Wednesday was declared unconstitutional by presidential ukase, is not even thinking of surrendering. Evidence of this was the press conference organized by the Russian Unity opposition bloc in parliament.

Meanwhile the mood of the NSF [National Salvation Front] is moving toward a fighting spirit. Lt Col Ye. Chernobryvko, deputy chairman of the Union of Russian Officers, reported at the press conference on the collective act of the officers union to join the National Salvation Front because "they need military men there." Furthermore, the lieutenant colonel said, a schism is being deliberately fomented in the army. He was referring to the order, supposedly signed by Russian Federation Defense Minister P. Grachev, according to which rifles are being taken from military units and locked up in storehouses. As was stated, the Taman and Kantemir Divisions, which are stationed in Moscow, have been practically disbanded. Chernobryvko did not guarantee the absolute reliability of his information.

Popov Calls for 'Democratic Opposition'

934C0123A Moscow NEZAVISIMAYA GAZETA
in Russian 8 Oct 92 p 5

[Article by Gavriil Popov: "Democrats Must Go Into Opposition, if They Do Not Want Russia To Take the Path of Revolution Again: The Apparatus Must Implement Reforms in the Transition Period"]

[Text]

Point of View

What is happening in Russia now? In my opinion it can be put this way: "At the present time Russia is in a transition period.

This is a transition period from state totalitarian socialism to a new variant of a social system. While there are no longer any great disagreements with respect to assessments of what we are transitioning from, various points of view exist on the question of what we are transitioning to. These points of view can be reduced largely to the following.

A significant group of citizens, political organizations, deputies, etc., still think that the socialist path has not run out for Russia. All that is needed is to reject the bureaucratic, totalitarian variant and search for some kind of new variant of socialism.

It seems to me that the statement of the question itself of a new variant of socialism is legitimate. Socialist ideas have existed for hundreds of years in mankind's history, and naturally will continue to exist in the future. There will always be attempts to design socialism that is suitable to the new stage of development of mankind—after Utopian socialism came Marx's socialism, then Lenin's, and there are and will be new concepts as well. But I am absolutely convinced that at the present stage of development of Russia, socialist models that are quite legitimate both theoretically and as a base of one or another party or movement cannot be adopted as a basis for the country as a whole. If we do return to them, it will not be soon.

A second large group of points of view, quite different in their character, comes down to the fact that we here in Russia, let us say, should build not socialism but some kind of absolutely unheard-of social system that would reflect Russia's peculiarities, its people, and its history.

These opinions are based on the fact that this country is too unique for someone else's models to be appropriate for it.

I think that there is a lot of truth in these opinions. Actually, a system that meets the needs of one-sixth of the terrestrial globe cannot be an imitation of either the American, European, or Japanese models.

At the same time, I am convinced, and the entire history of Russia confirms, that each time Russia tried to find its

own special way, totally different from the rest of mankind, it ran into very great difficulties and ended up in a blind alley.

In the main, humanity is united. What we have to do in Russia should correspond to the common road of world civilization. But we have to find our own variant of a modern societal system on this common road. In its basic characteristics it will be that which mankind has arrived at in the present stage of its development. But this will be a Russian model.

But where has mankind reached at the end of the 20th century?

At the beginning of the 20th century the world was enveloped in a gigantic crisis. This was the crisis of an anarchically constructed industrial capitalistic society of the 19th century model, a crisis of the variant of private property that existed at that time. This crisis ended in gigantic world wars, the deaths of tens of millions of people, etc.

There were three major attempts to pull out of this crisis. The foundations of all three contained the idea of introducing an organizational principle into the social structure, in order not to trust spontaneous laws but to establish some kind of organizing principles in society.

The second major attempt to establish an organized society is associated with different variants of national socialism by fascist states. These also are ideas of socialism, but now national socialism. The nationalistic and racially structured society immediately engendered contradictions, the genocide of whole nations, and wars for living space for their nations. This model suffered defeat in the Second World War. Although attempts to revive it later appeared more than once, national communism, in principle, also cannot be ruled out in individual countries of the former USSR. But, historically, national socialism also proved to be hopeless, just as international socialism was.

Strictly speaking, the USSR in practice was a mixture of these two socialisms.

The first variant is associated with concepts of international socialism, specifically—with Leninism. This variant began in our country in 1917. International socialism had substantial reserves, and it facilitated the refinement of a mass of what were new instruments for society; for example, centralized planning and unified health services. But they did not resolve the fundamental problems of development—neither in the sphere of scientific-technical progress nor in the sphere of individual freedom.

The third variant for introducing the organizational principle began after the crisis of 1929. It was associated with the efforts to introduce organizational principles into the system of private property on the basis of a growing role for the state, state regulation, directorship, and an increased role of the municipal sector, etc. This

variant began with the famous experiment in the United States of Roosevelt's New Deal.

It is this, the third variant of development, that took the old society as a basis and introduced organizing principles into it, and it produced the relatively best results.

Therefore I think that it is necessary also for us in Russia to shift to a structure that could be conditionally called a postindustrial society. This is a structure in which private property remains as the basis of the economy, but simultaneously there is a developed state sector, and the state implements an active regulating policy in the economy. The essence of this policy is to orient the market socially; i.e., to compel it to take into account the interests of the consumer not only as a buyer but also as a citizen, a member of society, etc. This is a policy of state guarantees in the sphere of education, health services, and pensions.

In the political respect we must switch to a modern democratic republic with a multiparty system and four systems of authority.

We must also diverge from the imperial-socialistic variant of resolving the nationalities question and try to find a new variant of an ethnic arrangement. This third task is the most difficult. The fact is that not only we but no one in the world has convincingly resolved this task yet. While effective decisionmaking models exist with respect to a socially oriented market and a democratic state, there is no effective decisionmaking model for an ethnic arrangement. The only relatively effective solution is the United States, and this model is not suitable for territorially isolated nations. Indeed, in the United States itself this model did not save it from mass race conflicts, which we witnessed in Los Angeles recently.

Thus, we move to the Russian variant of the postindustrial society. If this model has many of its own features, its transition period will be that much more completely special. Neither the shock therapy models nor everything else that they were able to "develop" during the transition of poorly developed countries to a postindustrial society will be suitable for it. A number of basic features characterize our transition period. First, the absence of private property. Second, as a consequence of this, the absence of entrepreneurs outside the sphere of the state economy and state officials. Third, the presence of a powerful heavy industry complex that is military-industrial in nature. We are not poorly developed countries. We are a kind of tadpole, a structural freak in which high technology in some spheres neighbors backwardness in others. Fourth, we have a developed social sector of a state that has assumed one-third of human needs: from housing to health care. And finally, fifth, we have to shift under conditions of a multinational system in Russia and tens of millions of Russians beyond its borders. The development of a concept for the transition period is now Russia's most urgent task.

After the question about what we should transition to, the next question arises: Who will implement this transition?

After all, in the year after the putsch it became clear that the democratic forces themselves were not in a condition to lead Russia and that the apparat forces also need restructuring and regrouping. But it can now be said with confidence that the democratic forces in Russia do not possess full power. Its individual representatives are in responsible positions. The democrats have factions in parliament and in the soviets. But, on the whole, these factions in the representative organs do not constitute a majority. And there is a president, the head of the executive authority, who is democratically inclined and oriented on democratic forces. But authority generally remains in the hands of the apparat, and, to the extent of its reorganization, its role in the system of authority is getting stronger.

I know that many democrats in Russia now assess the situation that is developing as tragic. I do not agree with this. After all, we succeeded in routing the conservatives. We succeeded in forcing the apparat to purge its ranks of antireformist forces. We democrats did not have enough of our own forces to manage reforms in the transition period. Therefore, the best reform path slipped away. Nevertheless, reforms began. This variant has often been encountered in history, and it appeared to be one of the variants of progress. Frankly speaking, if the transition was managed by the current democratic forces, I think that conflicts would have intensified. If the extreme conservatives who won in the putsch undertook the reforms, again, the conflicts would have intensified. Only the variant that is encouraging has set in, the variant in which the main part of the work lies on the shoulders of the apparat, but in which democratic forces can influence it through various opposition channels, introduce their own representatives into it, and actively work in factions in the soviets.

The main thing now is what line the democratic forces of Russia will take.

First. For a certain time they will portray that they are in power, and they will permit the apparat to ascribe to democracy all the bureaucratic distortions of reform. One personal automobile for the leader-democrat will be a cover for dozens of the same kinds of automobiles for officials of his department, and so forth, and the like.

Second. The variant of a normal democratic opposition will be selected within the scope of a rule-of-law state in which the apparat forces predominate, but which conduct reforms.

Third. The apparat path of reform will be declared an antidemocratic coup, and the democrats who hold posts in the apparat will be called traitors and degenerates, and the path will be taken of a struggle with the system existing in Russia.

As is known, in the last century and the beginning of this century the democratic forces of Russia encountered a similar situation. Russian tsars began reform at that time: They abolished serfdom. Then Stolypin tried to go further. But the democratic forces in Russia decided to come out against the reformers and deliver a revolutionary blow against them, to view them as absolute enemies. They followed the variant of preparing a revolution in response to reforms.

How did this end in our history? Those tragedies and troubles that befell us are sufficiently well-known to everybody.

Now among the democrats there are also quite a few forces that are inclined to repeat this model of the last century. To follow the path of Chernyshevskiy and "summon Rus to the axe."

The basis of such a point of view is as follows. Since the apparat is conducting the reforms, these will not be reforms. Since we have not occupied the chairs, no one else will conduct reforms. Instead of whether the reforms of the apparat or of the democrats are good or bad, these people see another dilemma: It is either our good reforms, or none at all. Without me, the sun will not rise at all.

But at the same time there are many movements among the democratic forces that have learned a lot from the past history of Russia. And they are for another variant of development, which I would formulate this way. We have accomplished our historical mission: We overthrew a regime that interfered with the development of Russia. But we did not have enough strength to manage the transition ourselves. The transition will not take the best forms. But there is much that we can improve. It is only necessary to learn to be a normal democratic opposition in a democratic society. To have a party, to have a newspaper, and to have a faction; to conduct a normal struggle for a better variant for developing the country.

I cannot understand those who say: If we are not in the cabinet there will be no reforms. I also cannot understand those who almost consider recognition of reality to be betrayal: It is not we who are in authority. I think that those who ascribe to me an appeal to relinquish power are wrong. How can you relinquish what you do not have? It was Bulgakov's Jesus who said to Pilate: How can you take my life from me, if you did not give it to me? All these judgments are from the arsenal of the logic of Leninism.

The most important thing is to organize a democratic opposition. One democrat more or less in the apparat will not change the situation. But the opposition needs support badly. Today the first duty of a democrat is to help in the formation of an opposition. Everything else is secondary.

I think that from this standpoint the Japanese model of parliamentarism is the most interesting. For all the decades after the war the Socialist Party of Japan was

always in the opposition, it did not have power in its hands even once. But on the other hand, only owing to its very aggressive activity was Japan able to develop quickly, efficiently, and progressively, purging itself of conservatives. If the democratic forces in Russia now implemented at least this variant, it would be a great success.

Another variant is possible in the future, the American variant. Where the Democrats have a majority in the representative organs of authority, and the executive organs of authority belong to the Republicans.

In a word, a lot of variants of development exist that would make it possible to solve the main task: To implement the transition period through reform, without taking the path of revolution.

I think that there are enough forces in Russia today to ensure development exactly via the reform path. I think, further, that this reform path has already started. It will be very difficult. Very contradictory. But it is precisely this path of reforms that will lead to success. If, of course, a fatal mistake is not committed by the democratic forces in the form of adopting a policy of revolution. Or, if the democrats do not commit another fatal mistake: Declare themselves the authority, liquidate the authority of the apparat, deprive the people of a democratic opposition, compel the people to be attracted to the national-communist position, and, thereby once again push Russia onto the path of revolution.

In themselves the neocommunist and national-patriotic forces are still weak in Russia. The apparat is exaggerating the danger so that people, intimidated by the red-brown alternative, support its authority. But if the people, dissatisfied with the bureaucratic capers of reform, do not have a defender in the form of a democratic opposition, and if they only see the criticism of the red-browns, the masses will begin to be drawn to them.

'Democratic Choice' Requests Air Time for Debates

934C0187B Moscow NEZAVISIMAYA GAZETA
in Russian 21 Oct 92 p 2

[Article by T. B. under the rubric "Facts, Events, People": "Democrats Agree To Debate With Volskiy, but Not With Aksyuchits"]

[Text] One of the three basic political blocs in Russia, the pro-Gaydar "Democratic Choice" faction has proposed to a second, the "Civic Union," as well as to Russian Television, that live television debates between the two parties be held in the coming month. The proposal says that "Russians should be able to receive an idea of the positions of the two major blocs—areas of agreement and of fundamental disagreement between them." The democrat faction believes that only those political forces that support Yeltsin's strategic plan for reform to a greater extent ("Democratic Choice") or lesser extent ("Civic Union") should take part in the televised

debates. The circularized proposal makes no mention whatever of any such contacts with—or even the existence of—the third bloc—the former communists cum right-wing nationalists [kommunopatrioty] arrayed against them in fundamental and irreconcilable opposition.

Labor Party Created To Protect Workers' Interests

934C0226B Moscow MOSKOVSKIYE NOVOSTI
in Russian 18 Oct 92 p 7

[Article by Tatyana Skorobogatko, under the rubric "Parties": "As One Functionary to Another"]

[Text] A new actor has appeared on the Russian political stage—the Labor Party. More than 30 representatives of 15 regional organizations took part in its founding conference. At the moment of its creation the party has 1,500 members.

Those assembled stated with regret that they have not been able to form a mass party yet. There are two paths to this: establish a party with existing numbers and then later reach mass numbers, or vice versa. The delegates decided to establish the party, consoling themselves with the fact that the government's strength does not lie in mass support either, but rather in the lack of an "alternative on the left." It is this vacuum that the party claims to fill, intending to defend the interests of not just hired workers, but of all individual laboring citizens.

The potential solidarity of the new party members is probably raising doubts even among themselves. Socialists, populists, and syndicalists, even when they have joined together, nurture their own particular ideals in addition to the common ones. The conference delegates declared factional struggle unacceptable, but the separation by platforms has already begun and the socialist-populists have proclaimed their manifesto. And several of the organizers of the congress almost abandoned it because of fundamental differences over the ethnic issue.

"Excuse me, but you are involved in nonsense here," said delegate Viktor Listikov, secretary of the council of the Federal of Independent Trade Unions of Russia, breaking into the program debate. "We do not need to polish our wording; what we have to do is get registered and think about how to attract workers to the party!"

It is improbable, but the delegates obediently followed their trade union mandates. It turned out that a group of trade union functionaries agreed to participate in the party's managing organs, but only on the condition that the position of party chairman be instituted and chosen from among the trade union executives or on their recommendation. Otherwise, in the opinion of the trade union leaders, party functionaries would have an opportunity to use the trade unions for their own purposes. It was not revealed exactly what purposes the trade union functionaries intend to use the party for.

Some of the delegates categorically objected to turning the party into a political support group for the trade unions, but they were defeated. This thesis finally beat the resisters: "Who are we here, and how many laboring people, in particular industrial workers, are there among us? This conference in the least expensive version is costing us 135,000. If we ignore the minimum demands of the trade unions we simply will not be able to call the next conference!"

Political independence by itself does not give any chance for survival. The "trade union alternative" is another matter. Vasilii Semyannikov, chairman of the Samara Federation of Trade Unions, speaking at the conference, assured the audience: if you work with the trade unions you will have 150,000 members of the Labor Party in Samara. If other trade union leaders support his initiative, the new party will not have to worry about its future.

Parties of Communist Orientation Described

934C0187A Moscow *DELOVAYA ZHIZN* in Russian
Jul. Aug 92 p 68

[Report under the rubric "At the Request of Readers":
"How Many Parties for Communists Are There?"]

[Text] The editors of this journal receive occasional letters requesting information about parties of communist orientation which have been founded since the CPSU was banned. The list that follows is in fulfillment of this request.

People's Party of Free Russia. Founded by Aleksandr Rutskoy from the "Communists for Democracy" faction of the Russian parliament; replenished, following the putsch, with former members of the CPSU. It had a membership of about 100,000, and more than 60 regional affiliates, at the time of its first congress, 26-27 October 1991.

Socialist Workers Party. Formed on the basis of the unrealized ideas contained in the projected new program of the CPSU. More than 300 delegates representing 70 republics, krais, or oblasts attended its founding conference, which approved a charter proclaiming socialism as the party's goal.

All-Union Communist Party of Bolsheviks. At the time of its constituent congress, which was held 8 November in St. Petersburg, the party included 35,000 active members. According to General Secretary N. Andreyev, it has committees in 80 krais or oblasts of Russia and in 9 republics of the former Soviet Union.

Union of Communists. Advocates the communist path of development, public property for the means of production, and the soviet system of power for the people, based upon elections in accordance with the territorial principle.

Russian Communist Workers Party Its program includes the reestablishment of the USSR, the renewed struggle against the capitalist society, and a return to communist values and goals. It is perhaps the sole influential communist organization with support in the Army, security organs, and provincial corridors of power

Congress of Worker Soviets Meets in N. Novgorod

934C0201A Moscow *ROSSIYSKAYA GAZETA*
in Russian 29 Oct 92 p 2

[Article by Andrey Shishov, staff correspondent, Nizhniy Novgorod: "A Decisive 'No' to Private Property"]

[Text] Just as the organizers of the first "spring" All-Russian Congress of Worker Soviets, held in Nizhniy Novgorod, this organization's second congress, more accurately the first expanded congress, took place once again in the city of reforms in October. Expanded because now this is the First Congress of Soviets of Workers, Peasants, Specialists, and Employees, at which all the principal strata of our society, except for the businessmen, were represented.

Creation of soviets like this throughout the country and the subsequent calling of an all-Russian congress make it possible, according to Aleksey Sergeyev, an economics professor who has run for the office of Russian vice president, to officially register the new bodies of representative government. What will it mean in practice to have parallel government structures functioning? Actually, it means duality of power, which is what *ROSSIYSKAYA GAZETA* warned about back in April.

ROSSIYSKAYA GAZETA wrote: "In order to continue the reforms calmly, the government should turn back to the low- and medium-skill groups of workers, who constitute the majority in industry and agriculture, and not "cultivate" exclusively the "white-collar workers" alone

True, the government is not very familiar with certain facts in our own history, in particular with Tsar Nicholas II's abdication of the throne. At that time it had become clear to the most distinguished representatives of the ruling class that the people had been brought to the extreme limit and the tyranny had to terminate its own existence. Why anger the people once again and repeat the mistakes of the past? If the government has no money, then I suppose all those interested in the revival and preservation in Russia of the institution of private property should set aside part of their resources to hire for the government a staff historian on crisis situations.

Those who met in the Culture Center of the "Krasnoye Sormovo" Plant represented nearly 70 city and oblast soviets of workers, peasants, specialists, and employees, created in various cities and regions of the country.

In their speeches, they declared a decisive "no" to the policy of privatization and voucherization, they

demanding the resignations of the government and president. The participants in the congress believe one of the means of achieving these objectives is a general political strike, and preparations for it have already begun.

According to Prof. Aleksey Sergeyev, a propitious moment was chosen because the institution of national economic planning of the Russian Academy of Sciences [RAN] is forecasting a disastrous drop of production in all sectors and a drop in the people's standard of living over the next five years.

As for reviving the institution of private ownership in Russia, the professor emphasized that in any country in the world there are only about 5 percent of the population who want to be full owners—entrepreneurs. Most are not ready for that and do not desire it. In case the new soviets come to power, then, they will repeal all the acts of privatization, above all that of major enterprises, and later they will also annihilate the small private operators who are now emerging in the sphere of services and trade.

Nevertheless, the scientist said that in the present situation it is better for the workers to take the vouchers than not to take them, and to set up their own people's enterprises. They should follow the example of F. Engels, he added, in themselves becoming capitalists and fighting against capital. But not all the delegates agreed with views like this, considering them a betrayal of the interests of the working class. Gaponism, an attempt to instill petit bourgeois ideas in the working class milieu. And as a consequence they favored a boycott of the voucherization campaign, supporting Viktor Anpilov, who was vexed that the congress was not adopting most of his proposals.

The objectives of the working class movement are beginning to be shared by specialists, employees, and military personnel, who feel that the federal government is paying them only declarative attention. Although it cannot be asserted from the results of the congress that a firm and indestructible alliance has been achieved between these population groups. Most of the workers and peasants, who do not fully understand the nature of what is happening because the government lacks a clear ideological policy, are becoming an object of crafty manipulation by neo-Communists, who are trying to press their views on them. Dmitriy Igoshin, a worker in the "Krasnoye Sormovo" Plant who heads the soviet worker-peasant shadow government, in spite of his repeated assurances to the effect that both Reds and Whites can work in the soviets, still acknowledged that he has a great liking for the program of the RKRP, which calls for creating grass-roots soviets in enterprises.

In Nizhny Novgorod, by the way, there are none of them as yet. But there is a possibility of their creation. This is in fact confirmed by the geographic spread of the appearance of new worker newspapers—such as ZA RAB-OCHEYE DELO of the St. Petersburg Soviet or TRU-DOVAYA TYUMEN. Among the sellers of these

publications, I met Aleksandr Maltsev, former first secretary of the Nizhgorod City Committee of the RSFSR CP and a member of the CPSU Central Committee, who, himself the editor in chief, was selling the first issue of LEVAYA GAZETA—the organ of the Socialist Worker Party.

Under these conditions, the reformers in the government must understand that when our country still does not have millions of owners, when a people plundered for the last 74 years is only beginning to touch with its fingertips that portion of property given it by the state, when certain actions of the government itself turn people away from privatization, because neither members of the government nor private citizens have ever in their lives been real owners and have not held their property in their hands—under those conditions it is simply nonsensical to call upon people to give unanimous approval to the course of the reforms.

The citizens have to be purposefully prepared so that under the new conditions they can become owners at any time of the day and night, as the Nizhgorod City Soviet of People's Deputies tried to do, for example, when it permitted registration of a private postal enterprise within three days after it filed its application. The government also has a duty to realize that this is a symbol of democracy and freedom and to act accordingly.

The concentration of the internal armed forces of the Ministry of Internal Affairs and special units of the OMON around Moscow to disperse the so-called nationwide assembly (veche) on 24 October will hardly do good service to the course of the reforms. In this case, the workers will be forced to create for their protection voluntary brigades, which under certain conditions could become the prototype of the new armed forces, as happened in 1917-1918. And last. The new RSFSR Constitution, drafted by neo-Communists, was adopted on the first reading at the congress; they have decided to present it as an alternative to the Seventh Congress of People's Deputies of Russia.

The Second Congress of Soviets of Workers, Peasants, Specialists, and Employees is to be held 22-23 November of next year.

Nomenklatura Holdovers Continue Pursuit of CPSU Policies

934C0236A Moscow IZVESTIYA in Russian 31 Oct 92
Morning Edition p 3

[Report by RF-Politika Research Center: "Incomplete Coup: While the Coup Plotters Wait and Watch, Their Cause Lives On and Triumphs"]

[Text] At a press conference on 30 October Vladimir Varov, Russian Federation people's deputy and a member of the parliament's Committee on Legislation, presented

the latest analytical report from the RF-Politika Research Center. Today IZVESTIYA presents a summary of that report.

Nomenklatura-communist reactionaries suffered defeat in the Russian referendum on 17 March and in the RSFSR presidential election of 12 June 1991. Political confrontation in Russia had assumed a new character. On the one hand, in a series of votes a majority of Russian citizens confirmed the resilience and depth of anti-nomenklatura sentiments in society and the reality of the Russian people's democratic and reformist orientation. On the other hand, the results of the voting in favor of the so-called USSR in the 17 March referendum indicated that the voters' political preferences were likely shallow and of a moral nature rather than a rational and political one.

Within Russia and surrounding it there arose a unique political situation which was developing in the direction of genuine democratization, toward demolition of the very foundations of the parasitic nomenklatura system. The only hope of salvation was to undertake some extraordinary and highly decisive step.

The leaders of the CPSU and the USSR were prepared to take just such a desperate step in August 1991.

Under growing pressure from the people's anti-nomenklatura movement and still smarting from the defeat of nomenklatura-backed candidates in the presidential election, part of the nomenklatura's highest leadership, M. Gorbachev in particular, attempted to save the situation by pushing through the so-called "Novo-Ogarev process."

Another segment of the highest party-state nomenklatura, the least flexible and the most aggressive and short-sighted, proved unwilling to sacrifice itself in order to save and preserve the System's foundations. As a result that which is now called the "August coup" occurred, ending in the personal defeat of several high-ranking individuals and a marked change in the entire social and political situation in the country. But who was it that took advantage of that victory? Unfortunately, not those who naively considered themselves the "victors."

Since 23 August a persistent effort has been made to instill in the public mind the ideas of the "August revolution," the defeat of the KGB-CPSU system" and "the unexpected and complete victory of democracy"... In addition to euphoria and unprecedentedly optimistic expectations, the events that occurred also created fantastic opportunities for rapid actions to bring about far-reaching reform of the state and society, reform which was for that brief moment was realistically possible even in the absence of the necessary structures of a civil society required to do so, and even despite the disarray and organizational weakness of the democratic movement.

Everything became possible. The demoralized "communists of Russia" betrayed their "blood brothers"—the

heads of krays and oblasts who had hastened to support the State Committee for the State of Emergency—one after the other and servilely transferred more and more authority to Yeltsin. The next steps, both essential and possible, should have been replacement of the party-state nomenklatura leadership at the regional level, immediate and radical reform of the government, and a complete reform of Supreme Soviet membership. Furthermore, it would have been quite realistic (as demonstrated by the more monolithically communist USSR Congress of People's Deputies) to call new elections, restore private property immediately, transfer land to the people, and approve a new and genuinely democratic Constitution.

But... Stopping with replacement of the flag over the White House, the Supreme Soviet, wrathful and raging after suppression of the coup, ceased moving in the direction of democracy. The party-state nomenklatura avoided the blow. All radical decisions and "democratic breakthroughs" were postponed or, more precisely, harshly neutralized. KGB organs and the whole system of law enforcement organs remained virtually unchanged. The establishment of new local administrations basically involved nothing more than a reshuffling of the regional "decks."

The political influence of the apparatus around Yeltsin increased sharply. The heads of the presidential administration and secretariat and the heads of lower-level apparatus structures began expanding their sphere of influence. By filling vacancies in the apparatus, often with the help of dull-witted and malleable "democratic reformers," those who comprised the middle echelon of the communist and union nomenklatura and the party-state nomenklatura lobbies got all the leverage they needed to exert a direct influence on the president's policy and to block any of his efforts that were too democratic.

What had happened? Why did what seemed to be the obvious defeat of the pivotal power in the system—the CPSU obkoms and gorkoms—and the seizure of the CPSU Central Committee's lair on Staraya Square by the "new authorities" somehow fail to bring about the collapse of the System as a whole?

Because August 1991 did not result in a "change in the social order" or a transfer of power to the "democrats"; it was nothing more than the usual reshuffling of the party-state nomenklatura deck. A few worn-out and excessively soiled "aces" fell, and red shirts were dyed white-blue-and-red, but the kings, queens, jacks, eights and sixes remained.

The second and third echelons of the party-state nomenklatura (and it is they who comprise the heart and soul of the social stratum that dominates this country), previously excessively burdened by their role as eternal errand boys and outraged by the inflexible and foolish policy of their leaders, got a rare opportunity to cast off the CPSU name so hated by the people. After which they elegantly

took control of the process of building a new system, including the process of "liquidating" the communist party.

The nomenklatura-run elimination of the party which was completed in the fall of 1991 is a unique example of the flexibility and sociopolitical mimicry of the party-state nomenklatura, a community of professional adapters who are capable of making absolutely anything into the basis of their existence, including an illusory struggle against themselves. After throwing off its party skin, the party-state nomenklatura was left in the convenient disguise of "professional administrators" who allegedly are no different from the government officials, industrialists and businessmen who exist in every country. Its power increased many times over.

There was the well-known case of the "by-the-list" transfer of CPSU Central Committee personnel into the Yeltsin-Petrov apparatus, as well as from Lukyanov-Boldin circles into the Khasbulatov apparatus. But that was only the tip of the iceberg. The inner workings of the process of "cadre shifting" is altogether different: it involves a large-scale migration (at all levels, from the very top to the regional level) of the apparatus class of the doomed Union and the CPSU—replaced because it was no longer convenient—into the new cells of Russian power.

Nevertheless, in late 1991 and early 1992 there still existed rough parity in the policy of the president and the "reform government"—formed after a three-month delay—between two tendencies: anti-nomenklatura and nomenklatura. The democrats and the "democrats" managed to hang onto their positions as the principal "nerve center" around the president, and it was at their urging and on the basis of their plans that the president undertook radical steps in the direction of genuine reforms. Under his leadership he formed a government which despite all its inconsistency and indecisiveness did maintain a passion for reform-oriented policy until March or April of this year. Most importantly, the fresh composition of the government maintained the belief in the public mind that policy in Russia now really was being made by new people who had clearly linked their futures with ideas that were incompatible with resurrection of nomenklatura-totalitarian slavery.

However, the actions of democrats in the president's inner circle proved so discordant and their own nomenklatura-bred stereotypes of thought and action so strong that they were not able to offer anything to counter the new "aces," who by now had grown bolder and begun to sense the return of their former impunity. Particularly since "the street," which used to frighten the nomenklatura so badly, was now busy with a tedious chewing of its pseudo-democratic cud. Accompanied by shouts of "Petrov must retire!" and "Support Yeltsin and Gaydar!" which did nothing to give people a deeper understanding of the real situation, society sank into apathy reminiscent of the period following the disbanding of the Constituent Assembly in 1918.

Thus the current correlation of forces in Russian politics can be characterized by the following outline:

State Leadership

The president has been ever more consistently and firmly implementing an inconsistent, weak, Gorbachev-style "centrist" policy. Now that he is inside the Kremlin walls he has returned to the previous party nomenklatura stereotypes in his actions and preferences, substituting conformism and an unsystematic approach for the necessary flexibility of political response. In place of his recent but even then only halfway reformist "reform government" we now see a government performing the traditional role of the Soviet socialist "supervisor," carrying out decisions made by others. The hierarchical block structure of government has also been revived (for example, instead of a single first vice-premier and two vice-premiers in "November 1991, today we have eight vice-premiers"). The traditional sector-based economic management structure is also being revived, a structure which, incidentally, is very convenient for the nomenklatura.

The team principle which formed the basis of the previous government has now essentially been eliminated. Some new ministries are overt supporters of a course diametrically opposed to reforms, while ministers who firmly support reforms are being subjected to pressure and attacks. The role of "nerve center" has been assumed by various consultative organs, expert councils, security councils, parties, industrialists' leagues and various similar structures of a certain orientation. As a result the nomenklatura-conservative forces have in effect seized the functions of planning governmental and presidential policy.

The Supreme Soviet and the Congress of People's Deputies are steadily being transformed into a nomenklatura-hierarchical apparatus for the purpose of establishing a personal power regime for R. Khasbulatov, who is prepared to form an alliance with anybody at all and on any basis if it will only strengthen his power. Without any supervision whatsoever, Khasbulatov is moving farther and farther along the path of "the splendid Georgian," who has already demonstrated to the world what monstrous things can be done with the help of an apparatus.

The Economy

With the complicity of the Supreme Soviet leadership and the nomenklatura directors of the Central Bank of Russia, which has continued USSR Gosbank's anti-Russian policy, the privileged monopoly status of large state-owned enterprises and the state-owned sector of the economy in general has been preserved. The practice of suppressing the free-enterprise structures which are attempting to produce real goods more cheaply than the state-owned sector does is being perfected.

On the other hand, the number and wealth of pseudo-commercial structures integrated into the overall system

of state-distributive corruption continue to increase. They are discrediting the very idea of free enterprise, and the idea of a democratic state system.

The process of "farmerization" has not only not become a "campaign" (something the kolkhoz-sovkhoz party-state hacienda owners were allegedly worried about), but has actually lost ground. All over the country private farmers are being slandered, and economic, financial and moral (and sometimes even physical) terror is being employed against them. At the same time the kolkhoz-sovkhoz oligarchy is threatening to graphically demonstrate its "superiority" over the private farmers.

Generally speaking, the foundation of nomenklatura-totalitarian oppression is being maintained: lack of private ownership of land, housing, the means of production and one's own labor. And there still exists a party-state nomenklatura cabal of poverty, lack of rights and de facto slavery for the common people of Russia.

Politics and Society

Democratic forces are disorganized, mainly by a tendency to compromise, a lack of a systematic approach, vagueness and inconsistency on the part of the president and the government in their implementation of economic and political reforms.

The Democratic Russia movement and the democratic parties which comprise Democratic Russia are getting closer and closer to becoming typical dwarf pseudo-parties. Furthermore, the ones most subject to disintegration are those which are the most likely candidates for a leading role in society. The "democratic wing" in parliament is weak, divided and apathetic, and some actions by its leading figures have been discouragingly unsuccessful.

We find a different picture on the other end of the political spectrum. On the one hand, the united "right-left opposition" of several former members of Democratic Russia and the "socialist workers' party" headed by "special" dissident R. Medvedev is becoming more and more personified by G. Zyuganov, Russian CP Central Committee secretary, A. Prokhanov, the "darling of the general staff," and the like. The position of the latter, which is regularly presented by the newspaper DEN, is becoming more and more reminiscent of a slightly camouflaged version of the position taken by the communo-fascists and pro-Nazi pogrom instigators who are calling for outright violence, ethnic hatred and civil war in publications like NARODNAYA PRAVDA and NARODNOYE DELO.

On the other hand, the distinction between the "right-left opposition", the national-social-communists, the various "Russian national assemblymen" and forces like the A. Volskiy-V. Lipitskiy (Civic Union) political groups and others is becoming increasingly blurred. Sharply dissociating themselves from the democratic forces and the reform course, these "members of the opposition," despite their stated "constructiveness,"

have clearly shown themselves to be blatant lobbyists for the interests of the military-industrial complex, the directors of major state-owned enterprises and the kolkhoz-sovkhoz oligarchy. Thus what we have is the social and political base for the full and definitive restoration of party-state nomenklatura rule.

Against this backdrop the president's gradual but clear ceding of positions and the clear deviation of Russia's leaders from the reform course are making a mockery of the high degree of patience and genuinely Russian optimism with which people have withstood the initial acute phase of reforms, and are demoralizing and disorienting society. The principal social base for reforms is a broad stratum of skilled workers, the scientific-technical intelligentsia and the humanitarian intelligentsia, who are losing their connection with what is happening and are turning away from the current government because it is ineffectual, and turning away from politics in general. Moreover, that segment of the population is becoming dispersed, moving into the new commercial structures and thereby removing itself from the zone of possible active support, ceasing to be a reliable pool of reform cadres. Another part of this group is joining the lumpen-proletariat, becoming impoverished. And as a result they are losing the independence necessary for political activism and becoming a breeding ground for destructive social trends and for the resurrection of fascism with a communist face.

ECONOMIC AND SOCIAL AFFAIRS

Course of Debate on Land Privatization

Term for Submission of Documents Extended

934A0196A Moscow ROSSIYSKAYA GAZETA
in Russian 28 Oct 92 p 3

[Unattributed announcement: "There Will Be Time to Understand the Details"]

[Text] The VS RF [Russian Federation Supreme Soviet] Committee on Rural Social Development, Agrarian Questions, and Food proposes that the periods for submitting the documents for land be extended to 1 January 1995 for citizens and until 1 January 1993 for legal persons.

This is stated in the draft of the Law "On Entering Changes in the Russian Federation Law 'On Land Reform'" which was presented by the committee at a meeting of the Russian Federation Supreme Soviet Presidium on 26 October.

This applies to private plots and summer home plots, as well as to the plots occupied by garages and various household structures. For legal persons—enterprises, institutions, and organizations—this applies to land occupied by the structures belonging to them. The previous wording of this clause in the law limited the period for the receipt of documents for land to December 1992

Document on Private Plots

93440196B Moscow ROSSIYSKIYE VESTI in Russian
31 Oct 92 p 1

[Report by Aleksandr Rybakov: "Document No. 327, or the Case of Private Plots of Land"]

[Text] Russians have been worked up by rumors that the time limit of the edict on charge-free privatization of summer home, garden, orchard, and private subsidiary plots will expire in three weeks. The document was supposedly kept a secret—they even call it No. 327.

This is what Nikolay Kalinin, the deputy chief of the Russian Federation Committee for Land Reform and Land Resources, says about this:

The rumors are groundless, and there is no Edict 327. We have the RSFSR law of 23 November 1990. Under Article 7, citizens and organizations should have reregistered their rights to land within two years. The purpose of this was to put land ownership in order. Rural residents, as an example, did not have any documents for their private plots except entries in the farm books [pokhozyaystvenniye knigi]. When houses were inherited or sold, there were often different interpretations leading to lawsuits and trials.

Under the old legislation, the land was granted only for use. Now citizens' rights have been extended: they can acquire a plot as property, as a permanent inheritance, or under a lease. But state enterprises continue to be users.

After changes were made in the Law "On Land Reform" by the Second Congress of People's Deputies, the period for legal assignment of land plots was extended somewhat, and it expires on 31 December 1992. All available plots of land are acquired free of charge or for payment if above the norm established by local soviets. Inasmuch as 17.7 million citizens do not have time to reregister their plots before this date, the government, after intercession by our committee, appealed to the Presidium of the Supreme Soviet, which adopted the decision at its 26 October session, to extend the reregistration period until 1 January 1995. The work is up to a session of the Supreme Soviet—the documents have been presented for its consideration...

But will the parliament, engaged in a struggle with the government, find the time and the desire to consider a matter that is vitally important for the Russian people?

'Democratic Russia' Gathering Signatures

93440196C Moscow ROSSIYSKIYE VESTI in Russian
31 Oct 92 p 1

[Article by Oksana Dul'skaya: "Your Vote May Be Decisive!"]

[Text] The three basic questions on which the country's domestic political life have been centered lately are private ownership of land, the need for the quickest

possible adoption of a new constitution, and the introduction of presidential government. "Democratic Russia" has undertaken to explain Russians' attitude toward one of them—the land question. Its initiative groups formed in 20 cities in the country have set the goal of collecting, before 18 November, the signatures of one million Russians who support the holding of a referendum.

Although this work was officially begun in August, it is only now that it has really gotten under way. In the words of V. Kriger, a member of the Coordinating Council of "Demrossii" ["Democratic Russia"], there are four initiative groups which are active now—in Moscow and the oblasts, St. Petersburg, and Yekaterinburg. Some 150,000 signatures have been collected in the city on the Neva alone at this time. For this reason, although little time remains, the organizers are hoping for Russians' active support, and they are counting on collecting the number of votes needed in time. About 20,000 signatures were collected at a meeting on the evening of 28 October by the Moscow branch of "Democratic Russia."

Regular readers of this newspaper will note that the question on the signature sheet practically repeats our questionnaire published six months ago, which received a wide response from readers in support of private ownership of land.

If you agree with the need to introduce private ownership of land, fill out the signature sheet, except for the four bottom lines, and **without delay**, send it to our editorial office.

Legislative Questions Debated

93440196D Moscow ROSSIYSKAYA GAZETA
in Russian 4 Nov 92 p 3

[Article by Yelena Tokareva: "So What Haven't We Sold Yet?"]

[Text] In walking through the streets of his city, the average citizen breathes in the toxic odors of radical reform: tents without a sewage system with urine coming from them, secondhand markets where candidates of science are selling odds and ends, small boys who charge 1,000 rubles to wash cars on the street, and old women at McDonald's with placards on their chests reading "I want bread!" A feast for the thieves being introduced in the banking system who are raking in billions. Bankers who have been bought, and law enforcement organs that do nothing.

Representatives of the "tough democrats"—those who support the referendum "On Land Ownership"—are in a hospital ward suggesting that gravely ill patients put their signatures to a clever scheme to sell land from their trays—without restrictions. "Let us drive the old nag of history! To the left, the left, the left!"

Discussion of the draft "Fundamentals of Land Legislation," which was prepared with such difficulty in the

parliament's Committee on Rural Social Development, was concluded on the evening of 2 November in the Supreme Soviet. They really had to work very hard to develop a draft law in which the interests of all society are observed. On one hand, those who sign the law are propping up the frenzied referendum proponents, and on the other hand, there is the sovkhoz lobby which opposes the sale of even a meter of land. The "Fundamentals," it appeared from the discussion, suited everyone, even the most radical parliamentary groups, for by developing the previous land legislation, this law untied the knot of new problems; in particular, it legalized the purchase and sale of land between citizens.

The article with the clearest impact in the new law is Article 12, which authorizes the sale of plots by their owners. Sale at the market price of plots under personal residences, garages, and summer homes—without the restriction of deadlines after they are purchased as property. Plots of land used as private subsidiary plots and for gardening and cultivation may be sold three years after the land is transferred. Land plots which were transferred free of charge to a new estate—farmers—and were registered by them as property may be sold only after 10 years. Here the legislators remained true to their conservative tradition—arable land must not be traded the very next day after it is received free of charge. Land obtained by farmers for a fee may be sold by them after five years.

The lawmakers believe that the objective of the referendum—the sale of land which is carefully concealed behind wording about ownership of the land—is implemented well enough by the "Fundamentals of Land Legislation." And the lands cannot be traded even more zealously. Land which should ultimately find a good owner who is capable of investing money and labor in it will find him, owing to reduction of the term of the moratorium on the sale of land to others. The periods for resale of land may be reduced even further, but then additional payment will have to be made to the treasury.

In the opinion of economists, introduction of the new draft law will bring the treasury up to 45 billion rubles just from the duty paid when the land is sold, since 8 to 10 percent of the plots and houses are sold each year.

There is also an article on the land mortgage (zalog zemli). Previously this right was only declared, but there was no mechanism to put it into effect. Now there is.

So each one is engaged in his own business in this country: the conservatives are establishing a legislative basis for further advancement of the reforms and trying to save the country from being plundered—by means of certain restrictions. The radicals are seeking to take in members of the public, who have no opportunity to familiarize themselves with draft laws. Incidentally, the draft law was in preparation for six months. During that period, none of those championing the referendum were

interested in what was taking place there, and none of them came to the discussions to which everyone was invited.

At night, watching the television coverage of the draft law discussion, I heard a woman deputy express concern that the new draft law, as well as the deputies, appeared to be too conservative. Consequently, the deputies nagged by the liberal press have begun feeling ashamed of conservatism, one of the most respected political trends in the world. As a rule, conservatives are thinking about the good of the country, while the radicals are usually standing up for someone's private interests.

This was quite apparent in the night's broadcast. Certain deputies became agitated about how the unconstitutional concept of "municipal property" will be treated. As we know, the constitution provides only for the concept of private and state ownership. So what will municipal property be—private or state property? Persons from Moscow close to the clan in the municipal administration were worried. By turning the lion's share of the capital's buildings into municipal property, the municipal administration, if it succeeds in defending the concept of municipal ownership as private ownership, will become a very large property owner. And there you see that physical persons, instead of legal persons, turn out to be the owners, as in the notorious UKOSO [Administration for Municipal Property] scandal. So an appropriation will take place which affectionately will be called privatization.

We have not sold everything to private buyers yet. And we are reproaching ourselves for this. But meanwhile, in questions of land ownership we are almost ahead of the entire planet, where there is not so much private land.

Commentary on Land Reform Efforts, Land Ownership

Rutskoy Directive on Land Plots

934A0201A Moscow SELSKAYA ZHIZN in Russian
6 Nov 92 p 1

[Text of directive signed by Russian Federation Vice president A. Rutskoy "On Measures to Implement the Russian Federation President's Edict No. 213 of 2 March 1992 'On the Procedure for Establishing the Norm for the Transfer of Land Plots to Citizens' Ownership Free of Charge'"]

[Text] In connection with the fact that many local administrations of rural rayons have not established a differentiated average norm for the charge-free transfer of land to ownership in accordance with the zones in a rayon which are distinguished by different rural population density, in conformity with the Russian Federation President's Edict No. 213 of 2 March 1992 "On the Procedure for Establishing the Norm for the Transfer of Land Plots to Citizens' Ownership Free of Charge," and are confiscating substantial areas of agricultural lands in kolkhozes and sovkhozes for the land redistribution

fund, which is hampering the efficient operation of these farms, as well as for the purpose of preventing the disruption of organized agricultural production on kolkhozes and sovkhozes:

1. The heads of local administration in rural rayons are to establish, in the shortest possible period of time, a differentiated average norm for the charge-free transfer of land to ownership in accordance with the zones in a rayon's territory which differ in population density.

To revise the decisions adopted earlier on the assignment of land plots to reorganized kolkhozes and sovkhozes, taking these norms into account, if the differentiated average norm for the charge-free transfer of land to ownership in accordance with the zones in a rayon's territory which are separated by differing population density is not lower than the average rayon norm established previously.

2. The Committee for Land Reform and Land Resources under the Russian Federation Government is to organize the work of land reform and land resources committees in accordance with the materials submitted to the local administration of rural rayons to establish the differentiated average norms for the charge-free transfer of land to ownership and to report on progress in implementing this directive before 1 December 1992.

[Signed] *Vice President of the Russian Federation A. Rutskoy*
No. 45-rv
30 October 1992

Komov Comments on Land Reform

934A0201B Moscow SELSKAYA ZHIZN in Russian
6 Nov 92 p 1

[Statement addressed to "Goskomzemy [state land reform committees] of Republics in the Russian Federation and Komzemresursy [land resources committees] of Krays, Oblasts, and Autonomous Formations" signed by N.V. Komov, chairman of the Committee for Land Reform and Land Resources]

[Text] In conformity with the Russian Federation Vice President's Directive No. 45-rv of 30 October 1992 "On Measures to Implement the Russian Federation President's Edict No. 213 of 2 March 1992 'On the Procedure for Establishing the Norm for the Transfer of Land Plots to Citizens' Ownership Free of Charge'" the Roskomzem [Russian Committee for Land Reform and Land Resources] explains: of the decisions on the charge-free transfer of land to ownership adopted previously, the only ones subject to revision are those which concern the territories of rural rayons (a group of farms or individual farms) where the norm for the charge-free transfer of land to ownership is higher than the average for the rayon.

In order to implement the directive cited, rayon land reform and land resources committees are submitting

proposals to the local administration on the formation of zones with different rural population density and on the establishment of differentiated average norms for the charge-free transfer of land to ownership.

The lands of agricultural enterprises remaining after the charge-free transfer to ownership in accordance with the differentiated average norms are assigned in the procedure established by the Russian Federation President's Edict No. 323 of 27 December 1991 "On Urgent Measures to Implement Land Reform in the RSFSR."

[Signed] *Chairman of the Committee N.V. Komov*

Rutskoy Aide Radugin Discusses Progress

934A0201C Moscow SELSKAYA ZHIZN in Russian
6 Nov 92 p 2

[Comment "On the Course of Land Reform" by N. Radugin, assistant to the Russian Vice President for agriculture and food]

[Text] In preparing materials for Russia's Second Special Congress of People's Deputies, which adopted a program for revitalizing the Russian countryside and developing the agroindustrial complex, the collective of developers working under the leadership of the Agrarian Committee of the Russian Supreme Soviet, which included the author of this report, proceeded on the basis of two interconnected relationships in establishing the need for land reform: the exceptionally inefficient utilization of land resources and the completely unsatisfactory condition of their quality.

In this connection, we cannot consider the process of land reform as a simple redistribution of land.

There is a complicated and manysided combination of measures. It has been called upon to implement the transition to diverse forms of ownership on the land, land ownership, and land use; to provide equal conditions for all forms of economic operation on the land; and to establish an economic mechanism to regulate land relationships, provide incentive, and ensure efficient use and expanded reproduction of soil fertility.

The Law "On Land Reform," adopted by the Russian Federation Supreme Soviet on 23 November 1990, is the basic document which forms the legal foundation for conducting the land reform.

Continuous analysis of the reform's progress and information from local areas have revealed major violations of the Law "On Land Reform." Articles 4, 5, and 6 of this law set forth the legal norms for the transfer of land to private and collective (joint and shared) ownership, as well as inherited lifelong ownership or use, including leases to citizens or collectives for cultivation and gardening and to kolkhozes, other agricultural enterprises, joint-stock companies, and state agricultural enterprises.

At the same time, Article 7 of the law stipulates that before land plots are legally assigned for ownership or

use, including under lease to or ownership by citizens, enterprises, institutions, and organizations, the right to use the land plots established previously is retained, but not for a period of more than two years from the moment this law comes into effect. The right cited is forfeited upon expiration of this period.

The government's Decree No.493 of 17 September 1991 approved the forms of state documents on the right of land ownership, inherited lifelong ownership, and permanent use of the land.

The two-year period for reregistration is ending now. But because of failures by managers on the Committee for Land Reform and Land Resources, the Ministry of Agriculture and Food, and local administrative organs, this work is far from complete. A feverish race is now under way to reregister the rights to land use. Moreover, these departments made major errors in determining the average rayon norm for the charge-free transfer of land to citizens' ownership.

For this reason, Edict No. 213 of 2 March 1992 "On the Procedure for Establishing the Norm for the Transfer of Land Plots to Citizens' Ownership Free of Charge" was issued to provide an objective approach to this problem; in accordance with this edict, a differentiated average norm should be established in each rayon for the charge-free transfer of land to ownership. However, this edict is not being implemented satisfactorily in local areas, either. Violations of it are widespread.

For this reason, the vice president sent a telegram to local areas once again, as he did on 16 March 1992, citing the unwarranted breakup and reformation of kolkhozes and sovkhoses everywhere without the collectives' consent, and he signed Directive No. 45 rv of 30 October 1992. This document is aimed at eliminating the violations that exist, and it should be brought to the attention of all land users without exception; it has been distributed to the heads of all administrations without exception for implementation.

Implementation of this directive will be verified.

Supreme Soviet Deliberations

934A0201D Moscow SELSKAYA ZHIZN in Russian
6 Nov 92 p 2

[Report by Konstantin Shcheglov on Supreme Soviet session dealing with land reform: "What We Will Take as the Basis"]

[Text] After generously bringing forth dozens of laws and decrees dealing with the land, it occurred to Russian people's deputies suddenly this week: what is preventing the parliament from adopting (better late than never!) the Fundamentals of Land Legislation?

In any case, members of the Supreme Soviet—first the Soviet of the Republic, then the Soviet of Nationalities—approached the microphones somewhat excitedly and approved the first reading of this draft law.

The draft law retained the continuity of the Land Code of the RSFSR, which is still in effect, first of all. However, a number of statutes were included in it which substantially change the powers in regulating Russia's land relationships, the subjects of the federation, representative and executive organs of authority, and land relationships as a whole. According to Article 2 of the Fundamentals, they are regulated by the Russian Constitution, this draft law (in the event that it is finally adopted), and other legislative documents of the Russian Federation which are adopted in conformity with them, as well as by the legal documents of krais, oblasts, autonomous formations, and the cities of Moscow and St. Petersburg. The functions of the soviets and administrations with respect to land are limited within the framework of the powers delegated to them.

The forms of land ownership are defined more accurately. It may be categorized as **private and state ownership** (the emphasis here and subsequently is mine—K. ShCh.). The former may be in the form of individual, common joint, or common shared ownership by citizens and legal persons. State ownership is in the form of federal ownership, ownership by republics in the Russian Federation, krais, oblasts, autonomous formations, and the cities of Moscow and St. Petersburg. The article "Ownership of Land Plots by Foreign Citizens," in accordance with which acquisition for ownership is authorized **"only for investment activity under the conditions established by laws of the Russian Federation,"** was also introduced.

The draft law also contains an article which is new for us, "the Land Mortgage." It was introduced to attract credit resources for the development of farms and private subsidiary plots and gardens and it is extended to individual ownership of the land.

Article 12, "Sale of Plots of Land by Owners," especially the legal and economic restrictions it stipulates, was the cause of a heated dispute in the first stage of discussion on the draft law. Essentially, they apply to the establishment of periods for the sale of land plots after they are assigned for ownership: when the land is purchased, this period is presumed to be set at three years, but when it is acquired free of charge, the period is five years. The maximum dimensions of the plots provided to citizens and enterprises for agricultural production are stipulated as well.

It should be stressed in particular that this article of the Fundamentals of Land Legislation will go into effect only **after Article 12 of the Russian Federation Constitution is changed**. But this, as we know, has been and continues to be the prerogative of the Congress of People's Deputies.

In a word, the basic work on the draft law still lies ahead.

Agriculture Leaders Gather At Collegium Session

934A0170A Moscow SELSKAYA ZHIZN in Russian
3 Nov 92 p 1

[Article by M. Silvanovich: "We Are In A Slow Decline"]

[Text] Two extreme phenomena reign firmly in Russia: a catastrophic decline in the production of food goods and opposition between agricultural producers and the government, in the face of a desire on the part of some to prove something and a lack of desire by others to hear and understand something in connection with the means for overcoming the agricultural crisis. Both the former and the latter were examined thoroughly during a session of the Board of Minselkhozprod [Ministry of Agricultural Production]. Two half-hour reports by 1st deputy ministers—V.N. Shcherbak and M.M. Abdulbasirov—recalled several obvious figures. Although according to certain signs the speakers revealed a reduction in the rate of the decline (the great and powerful Russian language allows for such a view, as they maintained that the decline is already slower than it was yesterday!), over a period of nine months the production of goods by the food and processing industry amounted to only 79 percent of the amount produced during the same period last year. During this same period, the deliveries of livestock and poultry to the state resources declined by 29 percent, milk and eggs—by 24 and wool—by 53 percent. No hope for future improvement can be seen in the data cited regarding the sharp reduction in the numbers of livestock and poultry, the status of the feed base or the obvious collapse of breeding operations, which earlier represented the branch's main thrust and furnished large amounts of cheap and high quality products—poultry factories and swine breeding and other complexes. Nevertheless, the sowing of winter crops and autumn plowing were not delayed.

Traditionally, I dealt very strictly with the peasants in all of these matters. Who at the higher levels would shoulder the blame or at least summarize social opinion with regard to the clear question: who is the guilty party? Today we are thankful for the fact that this question and the answer to it are not being concealed. Yes and they will not be concealed if the best intentions in the world are honored. Thus the Board sharply criticized the status of affairs. The kolkhozes, sovkhoses and other enterprises were crushed by the prices for those items needed for continuing operations. And to cap it all off, they were not receiving money for the products turned over to the state resources. The total amount of non-payments to the agroindustrial complex is measured in hundreds of billions of rubles.

Minister V.N. Khlystun invited a broad range of rich landowners to attend this meeting—from the ministers of agriculture of republics included in the Russian Federation to individual farm leaders. The meeting lasted an entire day and included two short recess periods. On more than one occasion, those in attendance heard appeals asking them not to shed tears but rather to

propose means for extricating themselves from the crisis. Finally, even Viktor Nikolayevich emphasized his dissatisfaction with the speeches. But it is believed that simple promptings or something similar to Newton's apple are of no use as far as tempting agriculture is concerned. And yet the speakers recalled willingly the decisions handed down during the 2d Extraordinary Congress of People's Deputies. And regardless of the statements made by the ministers, administration and departmental chiefs or land owners, they remained within the range of those programs which were exclusively agrarian in nature and planned and developed by the congress. And all of the advisers from whom we were awaiting recommendations for emerging from the crisis stated that: agriculture is incapable of surviving in the absence of capital investments, without modern development of the social sphere or without free ownership of the products produced. And if the country establishes a market, then the rural areas must have the same regulations that exist for municipal enterprises. And if it reaches the point where the rural areas produce special products, the demand for which, as expressed by specialists, is not flexible and the prices for which rise endlessly in an almost criminal manner (bread, meat and milk, for example, without which one cannot survive regardless of the cost), then a restrictive purchase price should not be established for them, such that the rural areas would be producing them at a loss, but rather the production expenditures should be subsidized from the state budget.

As a matter of fact, all of the proposals which did not satisfy Minister V.N. Khlystun would not have satisfied anyone involved to any degree in organizing apostasy from the accumulated base in Russian agriculture, leaving it in chaos and ruin. Indeed, was this not what was discussed during the Board meeting by the two agricultural administrative chiefs for Moscow and Leningrad oblasts—Yu.V. Korolev and A.V. Pavlov? An agrarian zone of giant capitals had been created for decades and the most productive livestock husbandry and poultry husbandry operations, with a high level of breeding operations, were concentrated around Moscow and St. Petersburg. At the present time, these are zones of intensive farming reallocation and cannot otherwise be referred to.

Indeed, was this not mentioned by the well known leader of collective peasant protest actions, director of the large Moscow "Zavety Lenina" Farm in Stupinskiy Rayon and people's deputy of Russia M.I. Lapshin: the state, which in spite of the decisions handed down by the congress, refused to protect the social infrastructure of the rural areas, left the peasants without heat, without roads and without medical and cultural services and dealt a powerful blow to production.

Or let us listen to the well known farm leader from Dagestan, M. Chartayev. His speech concerned the equal development of the three forms of ownership, including land ownership, as proclaimed during the 2d Congress of People's Deputies of Russia. They abandoned this and began breaking up the kolkhozes and sovkhoses. And

today the right of land ownership is being interpreted quite differently—a path to buying and selling land is opening up. Although, in the words of M. Chartayev, "if a land trade is started in Russia, then a strict sentence, no more nor less, will be imposed upon the entire Russian nation."

Even more important, according to M. Chartayev, is the need for ensuring that private ownership includes not only land but also all products produced. The land may remain the property of the state, but at the same time it can be turned over to those who work it for life-long inherited use.

For some time now, M. Chartayev has been employing such a "design" in the governmental offices and several years ago he established a union of joint owners in a former kolkhoz. In addition, he introduced a managerial form which paves the way for building a society in which man does not cringe before the state, but rather the state serves man. All of the commanding structures form their own income from the income of the producers. A rich producer—a rich state (just as in the economic primer "edited by" Yegor Timurovich).

Today our rural producer is not clothed properly, he is shoeless and he even lacks money. Hence a ladder of anti-crisis measures must be built. The assistant vice president of Russia, N.P. Radugin, cited as the single and all-encompassing measure for overcoming the crisis—that of returning to the legislative documents developed by the Congress of People's Deputies. There all of the APK [agro-industrial complex] problems were examined in a fully and mutually coordinated manner.

There you have the essence of the discussion. In summing it up, V.N. Khlystun cited three factors which brought about the crisis in agriculture. The first—the state opted for a liberalization of prices in the absence of an anti-monopolistic means for regulating them, particularly in the raw material branches. Second—they were unable to create a proper investment mechanism which took into account the needs of the APK. Third—sharply limited state support for agriculture and the processing industry. And subsequently, taking into account certain speeches and the above-mentioned causes of the "decline," a number of practical anti-crisis measures were introduced. Truthfully, the most important of these measures, for example the rural area priorities in connection with the implementation of investment and taxation policies, were dependent upon the ministry's board to only a minor degree.

Worthy of praise is the fact that the branch's staff is striving, with the best interests of the producers in mind, to halt the predatory privatization of enterprises engaged in the processing and trade of agricultural products. As the saying goes, God forbid if our calf is consumed by a wolf. Also worthy of praise is the fact that a number of questions have been introduced into the government and have already been partially resolved in a positive

manner: providing support for breeding operations, providing compensation for expenses incurred for the heating of boiler rooms and also for the shipping of feed into regions suffering as a result of natural phenomena, as mentioned by V.N. Khlystun. Like it or not, the ministry must become a more active protector of the rural areas.

Rutskoy Chairs Meeting on Agrarian Reform Program

934A0169A Moscow SELSKAYA ZHIZN in Russian
3 Nov 92 p 1

[Article by M. Silvanovich: "Elimination of Losses"]

[Text] A.V. Rutskoy's representative meeting gave a negative assessment of the government draft program "Prospects for the Development of Agrarian Reform in the Years 1992-1995."

The vice president himself initially commented on the document under discussion. This program, he said, should end with the word "hurrah" and three exclamation points should be placed after it, inasmuch as it contains only appeals, and it is not clear on what basis and in what way it will be implemented.

Such an emotional preamble to the discussion does not differ from the preliminary assessments of specialists, experts, and scientists—basically, negative reviews were received. I think that this had a principal influence on the tone of the report of one of the leading developers of the document—A.S. Kopylov, deputy minister of agriculture and food of the Russian Federation. He further explained the obvious reasons for the imperfections of the program. The fact is that the current situation in the agro-industrial complex is very difficult. The crisis situation was formed a long time ago. We lost the resource base even before the collapse of the USSR, but now Russia is forced to import dozens of kinds of agricultural machinery from nearby foreign countries. We have lost finances. The entire investment process in the agro-industrial complex has been overturned. Furthermore, the disparity in prices between products of the village and the city, and prices in general...

Different readings in agrarian policy that were based on different authoritative structures of the state prevented the program developers from seeing the light at the end of the tunnel. Starting in February, 11 variants of the program were examined. The developers again and again ran into the absence of a legal basis for many radical directions. And so forth and so on. In the end the conclusion can be reached that time was lost to no purpose.

This was also emphasized by M.I. Lapshin, leader of the agrarian faction of the Russian Federation Supreme Soviet, and V.P. Yermolenko, director of the federal center on land and agro-industrial reforms, who spoke afterwards. Judging by the program, M.I. Lapshin said in particular, the market seems to be the objective of the

reform, and this point of view turns everything upside down. The market can be acknowledged only as a means for achieving specific economic goals. But the goal should be the creation of conditions for the life and work of all rural commodity producers.

V.P. Yermolenko looks further—he says that the goal of reform is the full provision of foodstuffs for the country, and of agricultural raw materials for industry. But the agro-industrial complex should receive all priorities on the part of the state, the government, and the Supreme Soviet.

There was an exchange of opinions on the document that was submitted. As a result it was proposed to establish working groups from various structures, science, the deputy corps, production, and the processing of agricultural products. V.P. Yermolenko was assigned to head the work.

Speaking at the meeting, Vice President A.V. Rutskoy emphasized that reform should be based not on land redistribution, not on infringing on the interests of the commodity producers themselves and the creation of favorable conditions for others, but on the creation of a mechanism for achieving sufficiency in foodstuffs and consumer goods.

What has to be done in the main sphere—production? Answer: Do everything possible to reduce losses; we lose 42-56 percent of produced agricultural products, while in Canada, for example, the figure is 1.8 percent. This, in the words of A.V. Rutskoy, is a hole into which money,

labor, and ready products are being dumped. Second, in our country a lot of resources are expended including raw materials resources, on importing foodstuffs, and Russia thereby contributes to the prosperity of commodity producers in other countries and dooms its own to poverty. It is a gross error when the traditional systems of economic management and production are disrupted. If we are talking about supporting farmers, then why are we not talking about supporting kolkhozes and sovkhozes, agricultural firms, cattlebreeding complexes, and poultry plants?

Concerning the program under discussion, the vice president noted that it does not define priorities. Further, private property in land is established, but, after all, this is also established by the constitution, but there is no mechanism for transferring land to ownership. Land banks could become the fundamental element of such a mechanism, and so that this does not shock anybody, it is being proposed that the soviets act as founders of the land banks.

Latest Price Hikes Make Services Unaffordable for Many

934A0175A Moscow TRUD in Russian 3 Nov 92 p 1

[Article by Vitaliy Golovachev, TRUD political commentator: "Without Dry Cleaner, Bath House and Cinema?: Rapid Price Increase in Services Sector Makes It Unaffordable for Low-Income People"]

[Text]

Type of service	Price of service in Moscow (rubles)		Price of service in "champion" city, October 1992 (rubles)
	January 1991	October 1992	
1. Installing new heel on shoe	1	120	
2. Laundering and ironing linen (per kg)	0.2	30	in Kurgan—55
3. Dry cleaning:			
woman's overcoat	3.5	155-280	Murmansk—625
men's suit	5	180-360	
4. Custom sewing:			
women's dress	25.8	1,200	Ukhta—3,405
5. Ticket to bathhouse (common room)	0.8	50	
6. Hairdresser:			
hair styled in women's salon	5	130	Novokuznetsk—278
men's haircut	0.8	50-100	
7. Bus ride	0.05	1	Cherkessk—3
8. Making keys	0.5	40	
9. Nursery school (one child-day)	0.5	20.5	Abakan—52
10. Pass to trade-union health resort (24 days)	160	7,000	Ulyanovsk—26,064
11. Pass to vacation lodge (24 days)	98	5,850	Vladivostok—18,799
12. Ticket to cinema	1.4	50 (Sundays) 24 (weekdays)	Yakutsk—60

Type of service	Price of service in Moscow (rubles)		Price of service in "champion" city, October 1992 (rubles)
	January 1991	October 1992	
13. Hotel (one person in double room, first-class hotel, per day)	3	300-450	Yakutsk—1,612
14. Initial visit to doctor	—	124	Kurgan—303
15. General blood analysis	—	61	Krasnoyarsk—113.9
16. Ultrasound study	—	208	Murmanak—902
17. Making of removable dental prosthesis (plastic)	27	400	Blagoveshchensk—3,000
18. Replacement of refrigeration unit (excluding cost of unit)	70	5,000	
19. Two-week course of preventive treatment for heart disease	nocharge	8,334	
20. Cost of out-patient treatment with diagnosis in the Microsurgery of the Eye MNTK (Interbranch Scientific and Technological Combine)	167	12,000	

A couple of weeks ago TRUD published a table indicating that since April 1990 the prices of many foodstuffs in Moscow had risen not by a factor of 15-20, but by a factor of 100, or even 150 (bread, flour, potatoes, beets, cabbage, carrots, cottage cheese, salt, sugar, oat and buckwheat meal, frankfurters, etc.). The price of many medicines had risen by factors of 100 to 400. And average earnings had risen by a factor of only 24 for the same period. This article drew extensive reader response.

But price "surprises" await us everywhere. You become convinced of this in leafing through the State Statistics Committee's latest compilation on manufactured goods and services. A men's light overcoat for 12,000 rubles (Armavir), suits for 10,000 (Novyy Urengoy), trousers for 2,000. The numbers are not for the fainthearted. One would like to reassure people. Aha, here something positive has finally happened—a price reduction: in Orenburg men's shirts are 25 percent cheaper. But it is a bit too early to rejoice—all the price changes are occurring at levels that are too high. In the first half of October men's shirts cost R1,700, and in the second half they cost R1,300. Ordinary, undistinguished shirts? How can one fail to recall that not long ago they could be acquired for 13? However, if you figure that the prices of the aforementioned overcoat, trousers and suits have also increased by factors of 60 to 100, a certain regularity starts to emerge.

Of the super-expensive goods, I will only cite an ordinary women's light overcoat made of a part-wool fabric, which costs an average of R17,000 (Norilsk), a boy's shirt of synthetic fabric, which cost R29 rubles last January and now costs 5,000 (Orenburg), and women's panty hose, which used to cost R3 and now cost R260 (Syzran).

And the residents of St. Petersburg have their own problems. Refrigerators have become unaffordable there. The average price of a floor-model KSh-260 in that city is now R62,963. That is almost twice as high as

the average for Russia. But generally speaking, even for R34,000 there are few Russians who can buy themselves such an icebox. A color television has become a luxury item—R47,500 (Neftekamsk), as even an electric iron has—R3,500 (Makhachkala).

It may be objected that my selection is tendentious, that only the maximum prices have been chosen, while in other cities they are significantly lower. That is true, and I am by no means claiming that the prices of manufactured goods have risen a hundredfold everywhere. But at the same time there can be no doubt that if such prices have appeared in some cities, they may soon spread to other regions, as well. For under the conditions of a drop in production and increase in the money supply, inflation will progress very rapidly. The end of October confirms such a cheerless forecast.

An unrestrained increase in inflation can also be seen distinctly in the services sector. The published table, compiled on the basis of materials from the State Statistics Committee and the VKP [General Confederation of Trade Unions], does not require much comment. Who would have thought just a little while ago that a cinema ticket would cost 50 rubles, a ticket to a bathhouse the same, and the laundering of two kilograms of linen—For many people today, finding the money for laundry is a real problem.

Most Russians will have to forget about a stay in a health resort or vacation lodge. But what is perhaps most worrisome of all is the rapid increase in the cost of medical services. Will a pensioner be able to pay 900 rubles for an ultrasound study (in many rayon clinics, such studies are not done)? And if not, what is the conclusion—let people get sick and die? The humanness of a society is determined by how it treats its children and old people. If we destroy culture and spiritual and moral values, we will not have a civilized future.

The increase in prices for many items in the services sector by a factor of 50 to 100 (like the prices for foodstuffs and a number of manufactured goods that are prime necessities), while average earnings have risen by a factor of 24 attests not only to a sharp drop in the population's living standard, but to the fact that the economic ship needs more precise control.

In order to move along and avoid hitting a reef, we must finally put a stop to the quarreling and get down to business in a concerted effort. Otherwise, the waves will sweep everyone off. In my view, more than enough mistakes have been made for us, after analyzing and acknowledging them, to make adjustments and continue moving more intelligently along the reform course. Of course, it would be naive to hope for a rapid improvement in our situation (and people must be honestly told that difficult years await us), but it is still possible to gradually emerge from the crisis. The main thing today is production. Individual bankruptcies are possible and necessary, but I believe that the continuation of broad-scale decline will be tantamount to disaster.

Russian Society Develops Growing Split Between Rich, Poor

934A0177A Moscow TRUD in Russian 3 Nov 92 p 2

[Article by I. Dmitrichev, deputy director of an administration of the Russian State Statistics Committee. "Poor and Rich: Stratification of Society Increases Rapidly"]

[Text] A division into poor and rich always existed in Russia—both before the revolution and after it. All of the Bolsheviks' promises of "social equality" and the creation of an earthly paradise for people in the USSR proved to be a myth. Only the party and state elite—the secretaries of rayon, oblast and kray party committees and the party Central Committee, the innumerable soviet officials, the military brass, ministry and department executives, and enterprises directors—lived well. And that was more than 100,000 people. Official dachas and cars, special stores and special rations and foreign trips. Operators in the shadow economy also flourished. For all practical purposes, this sphere turned into a second economy in the country. In the former USSR the scope of the shadow-economy's withdrawal of finances from state circulation amounted to 70-80 billion rubles a year (1-1.5 trillion in today's prices). Thousands upon thousands, perhaps tens of thousands, of millionaires built their businesses in the shadow economy.

But generally speaking, both the elite and the shadow-economy businessmen tried not to display their wealth publicly in order not to "aggravate" their fellow citizens, so to speak. There were exceptions, of course, when, say, a deputy minister would go too far and stage such an extravagant wedding in a restaurant that he would astonish even the trade mafia, which had seen just about everything. However, usually the life of the former Soviet "high society" took place far from human eyes.

Today it is no longer necessary to hide. Shadow-economy businessmen who have come out into the open, latter-day merchants, and owners of commercial stores who have suddenly become millionaires pour champagne over the carpets in Moscow's Hermitage, drive around in luxurious Mercedes and Toyotas, and flash 5,000-ruble notes in restaurants. Today it is impossible to get into many Moscow restaurants in the evening, although dinner there may cost several thousand rubles. Respectable merchants and entrepreneurs, of course, conduct themselves in a more dignified and civilized manner, but it is the surface "scum" that is out in view, and it acts as an irritant and detonator in our rapidly "stratifying" society.

It is no secret that in commercial and entrepreneurial organizations earnings are often much higher than, say, in the budget-financed sector or at state enterprises. Highly qualified specialists in those organizations have earnings of R50,000 and R70,000 a month. And in industry, wages in September averaged a little more than R7,000 a month, according to preliminary data.

But what is important is not only that but average income per family member. By that criterion, about one-third of the population falls beneath the minimum subsistence income as calculated according to the strictest norms (R2,000). At the other pole lie 3 million people who have an average per capita income of more than 6,000 rubles. It is hard to say how many of them are millionaires (as yet we have no annual tax declarations), but the fact that there are tens of thousands of them is hardly open to doubt.

Generally speaking, wealth, if honestly earned, is by no means criminal, but rather evidence of a person's creative, entrepreneurial talent. The stratification of society was always an objective, normal process. After all, all people are different—in terms of their physical, mental and cultural development, their capacity for work, diligence, and so forth. And the makeup of families is different, too—in some there are more dependents (children, pensioners), while in others there are fewer. So, in principle, differences in material well-being are perfectly normal. The size of the income gap between poor and rich, in other words, how great the financial gulf is between them, is another matter. This is an important indicator that is measured by statistical services in all the developed countries. We are speaking of the ratio between the incomes of the 10 percent of the richest people and the incomes of the comparable group of the least advantaged.

So, a year ago this ratio in Russian was 5.4, and now it has increased to 6.5. Stratification in society is increasing rapidly. According to estimates based on computer calculations, by the end of the year this gap may increase to from 7 to 7.5, and in 1993 it may rise to from 8 to 9.

The figures force one to reflect. Is the widening gap gulf between rich and poor great or not so great? What is the

picture like in other countries? For comparison, let us point out that the analogous index in the United States is much higher and equals 14, while in Sweden it is 11. On the other hand, in China it is only 3, much lower than in our country. So what is one to take for a guide?

The essence of the matter is that in the highly developed countries (the United States, Sweden) a large gap in incomes between population groups at opposite poles is perfectly allowable. The living standard in those countries is significantly higher, and even poor groups have the possibility of a more or less tolerable existence. But in the developing countries that are in a difficult situation, such a gap in living standard can have serious consequences. For us, a fourteenfold level of differentiation would be tantamount to disaster. Social tension in society would reach an incredible level.

Therefore, the government economic reform program rightfully speaks about the impermissibility of an excessive and unfair income differentiation among employees in different economic branches and regions, as well as different social groups. Correctly stated, but the program contains no mechanism to prevent such an undesirable development. Yet even the forecast of a tenfold gap may raise the social temperature in society to a dangerous limit. That is why the program for deepening the reform requires fundamental adjustments in this area. As long as the country finds itself in a critical situation, the social product should be distributed in such a way as not only to give new capitalists the opportunity to get rich (which, generally speaking, is normal), but also to help the poorest segments of the population survive. I think it is still premature to count on the charity of the present rich.

Yeltsin Edict on Aid to Kabardino-Balkaria

934C0207A Moscow ROSSIYSKAYA GAZETA
in Russian 29 Oct 92 p 5

[Text of "Edict of the Russian Federation President 'On Measures for State Support for the Kabardino-Balkar Republic's Social and Economic Development'"]

[Text] In order to stabilize the economic and social situation in the Kabardino-Balkar Republic during the carrying out of the economic reform, I decree:

1. Provide state support to the Kabardino-Balkar Republic in the structural reorganization of the economy.

Commission the Russian Federation's government to provide assistance to the Kabardino-Balkar Republic in expanding the branches of its economy that are operating using their own resources: processing and storing agricultural products; building its own electrical power base using water resources; prospecting and building capacities for the extraction and refining of oil and coal; putting on line new production capacities for discovered reserves of ore and natural building materials; and

further developing an all-Russian resort and international tourist, alpine and mountain-skiing base

2. In order to establish conditions for attracting foreign investments and the carrying out of entrepreneurial activity by foreign investors, the Russian Federation's Ministry of Finance, the Russian Federation's Ministry for Foreign Economic Ties and the Russian Federation's Foreign Trade Bank provide assistance in the establishment and functioning of a currency exchange, international commercial joint-stock bank and an international trade center in the Kabardino-Balkar Republic

3. Based on the need to expand foreign economic ties and satisfy the national economy's and population's need for air shipments

The Russian Federation's Ministry of Transport working with the Russian Federation's Ministry of Security, the Russian Federation's State Customs Committee and other interested Russian Federation ministries and departments implement practical measures for opening an airport in the city of Nalchik for international flights following prescribed procedures.

The Russian Federation's Ministry of Transport, working with the Kabardino-Balkar Republic's Cabinet of Ministers and considering economic expediency, examine before the end of 1992 the question of reconstructing the airport in the city of Nalchik and the allocating of aeronautical enterprises with the necessary pool of aircraft.

4. The Russian Federation's Ministry of Transport and the Russian Federation's Ministry of Economics solve the questions:

Extending the financing and completing the construction of a motorway bypass of the city of Nalchik on the Caucasus trunk road;

Restoring in the lists of motor vehicle roads of federal significance the routes connecting the Caucasus trunk road with the all-Russian and international tourist, alpine and mountain-skiing centers in the Kabardino-Balkar Republic and also financing the work to construct, reconstruct, repair, and maintain these roads

5. The Russian Federation's Ministry of Agriculture and Food, the Russian Federation's Ministry of Economics and the Russian Federation's Ministry of Finance, when drawing up investment programs and the budget system for 1993-1995, provide allotments of state centralized capital investments to expand the agroindustrial complex in Kabardino-Balkar Republic, including the social development of the village, and appropriations for their financing in an amount of no less than 1.3 billion rubles annually.

6. The Russian Federation's Ministry of Economics, when preparing proposals for the commodity suffusion of foreign investment credits during 1993-1995, examine the proposals submitted by the Kabardino-Balkar Republic, based on quotas in an amount of 60 million

U.S. dollars directed toward developing the priority branches of the republic's national economy with the Kabardino-Balkar Republic's Cabinet of Ministers having the obligation to pay off the credits.

7. The Russian Federation's Ministry of Fuel and Energy and the Kabardino-Balkar Republic's Cabinet of Ministers:

Commission capacities at the hydroelectric power stations on the Nizhne-Cherekskiy Cascade during the following time frames: In 1997—16,000 kilowatts; in 1998—16,000 kilowatts; and in 1999—55,000 kilowatts:

Insure the financing of the construction using assets of the non-budget investment fund for financial regulation and the Russian Federation's republic budget.

Define more precisely the power supply program for consumers on the territory of the Kabardino-Balkar Republic during 1993.

8. The Russian Federation's Ministry of Fuel and Energy and the Russian Federation's Committee for Geology and the Use of Mineral Resources examine during 1992 the advisability of working the discovered coal deposits and prepare a program for geological exploratory work to extract oil and gas during 1993-1995.

Based on the results of the work performed, submit proposals for organizing the extraction and refining of oil, gas and coal, which have been coordinated with the Kabardino-Balkar Republic and the Russian Federation's Ministry for Protecting the Environment and Natural Resources, for review by the Russian Federation's government prior to 1 January 1993.

9. With the participation of the Russian Federation's Central Bank and considering the tense situation that has taken shape with respect to the supplying of Russian Federation metallurgical enterprises with tungsten and molybdenum raw materials and the important role of the Tyrnyauskiy Wolfrum-Molybdenum Combine in solving this task, the Russian Federation's State Committee for Industrial Policy, the Russian Federation's Ministry of Finance and the Russian Federation's Ministry of Economics examine within a month's time questions concerning the allocating of long-term credits to continue the reconstruction of the combine's installations and renew major mining operations and questions granting the combine a quota for exporting products to acquire imported technical equipment and spare parts through foreign exchange earnings.

10. The Russian Federation's Ministry of Economics and the Russian Federation's Ministry of Finance make provisions in 1992 to allocate an additional 360 million rubles to the Kabardino-Balkar Republic's Cabinet of Minister to finance the construction of housing.

When drawing up the Russian Federation's budget system for 1993 and subsequent years, the Russian Federation's Ministry of Finance make provisions for the Kabardino-Balkar Republic in the expenditures of

the republic's budget appropriations to finance capital investments in amounts that insure the construction of housing and installations in the social area at a level no lower than that achieved in 1990.

11. The Russian Federation's Ministry of Economics, the Russian Federation's Ministry of Finance, the Russian Federation's Ministry of Health, the Russian Federation's Ministry of Culture, and the Russian Federation's Committee for Tourism make provisions for the allocation of centralized capital investments and appropriations for their financing and of technical and other equipment to carry out the construction of a diagnostic center for 600 visits per shift, a home for children with 160 places and a medical building for the republic's infectious disease hospital with 260 beds and the reconstruction of the republic's national library with 1.2 million volumes in the city of Nalchik.

12. The Russian Federation's Ministry of the Press and Information and the Russian Federation's Ministry of Finance provide assistance to the Kabardino-Balkar Republic's Cabinet of Ministers in financing the expansion of the printing industry's and television and radio broadcasting's material and technical base and in publishing national artistic literature, textbooks and other educational supplies in the languages of the Kabardino-Balkar Republic's peoples.

13. The Russian Federation's Ministry for Protecting the Environment and Natural Resources and the Russian Federation's State Committee for Matters Concerning Civil Defense, Emergency Situations and the Elimination of the Consequences of Natural Disasters, after the Kabardino-Balkar Republic's Cabinet of Ministers submits a work program concerning the ecology and protection of the republic's national economic installations, population and territory against natural disasters, examine with the participation of other interested ministries and departments and submit within a two-month's period coordinated proposals for implementing the program and the sources of its financing for review by the Russian Federation's government.

The Russian Federation's Ministry of Economics and Russia's Federal Service for Hydrometeorology and Monitoring of the Environment in the Russian Federation's Ministry for Protecting the Environment and Natural Resources make provisions for allocating the necessary capital investments during 1992-1993 to complete construction of the laboratory production base of the Antistikhivye Interregional Scientific Production Center in the city of Nalchik.

14. The Russian Federation's Ministry of Internal Affairs and the Russian Federation's Ministry of Security provide assistance to law enforcement agencies in the Kabardino-Balkar Republic in strengthening the material and technical base and take steps to insure public law and order and the reliable protection of state

and economic installations and to organize the protection of the Russian Federation's border section that passes through the territory of the Kabardino-Balkar Republic.

[Signed] B. Yeltsin, President of the Russian Federation
Moscow, the Kremlin
14 October 1992
No 1232

Gaydar Decree to Stabilize Buryat Economy

934C0207B Moscow ROSSIYSKAYA GAZETA
in Russian 21 Oct 92 p 4

[Text of "Decree No 776 of the Russian Federation Government, issued 11 October 1992 in Moscow, 'On Measures To Stabilize the Social and Economic Situation in the Buryat Republic'"]

[Text] In accordance with the 29 June 1992 decree of the Russian Federation's Supreme Soviet Presidium entitled "On the Social and Economic Situation in the Buryat Republic" and in order to stabilize the social and economic situation in the Buryat Republic, the Russian Federation's government decrees:

1. The Russian Federation's Ministry of Fuel and Energy make provisions for allocating assets, which would insure the commissioning of two boiler units, Nos 3 and 4, at the Ulan-Udenskaya TETs-2 [Heat and Electric Power Station-2] during 1993, from the ministry's non-budget investment fund.

2. Beginning in 1993, the Russian Federation's Ministry of Economics and the Russian Federation's Ministry of Finance make provisions for allocating centralized capital investments, financed from the federal budget, to continue the construction of the Molodezhnyi Ore Mining and Processing Combine and the Cheremshanskiy Quartzite Mine.

3. The Russian Federation's Ministry of Economics, the Russian Federation's Ministry of Industry and the Russian Federation's Ministry of Science, Higher Schools and Technical Policy insure the financing of research and development work to build the K-62 helicopter and the engine for it in accordance with the Program for Developing Civil Aviation Equipment out to the Year 2000 which has been approved by the Russian Federation's Ministry of Science, Higher Schools and Technical Policy, the Russian Federation's Ministry of Industry and the Russian Federation's Ministry of Transport.

The Russian Federation's Ministry of Industry working with the Russian Federation's Ministry of Finance submit to the Russian Federation's government proposals for favorable credits for the preparatory work to produce the mentioned helicopter and the engine for it beginning in 1993.

In order to obtain additional assets for expanding the production of Russian Federation industrial enterprises

participating in the output of the K-62 helicopters and also for constructing installations of a social and cultural significance in the Ulan-Udenskiy Aviation Production Association of the Russian Federation's Ministry of Industry, this association be permitted to sell 20 Mi-8 helicopters and 6 Su-25 combat training aircraft, which it produces, for export during 1992-1993 in accordance with prescribed procedures.

4. The Russian Federation's Ministry of Agriculture and the Russian Federation's Ministry of Economics also include in Appendix No 8 to the State Program for Expanding the Children's Food Industry in the RSFSR During 1991-1995 the construction of a children's dairy food plant with a capacity of 6,000 tonnes of products a year in the city of Ulan-Ude, which was approved by Decree No 70 of the RSFSR Council of Ministers dated 31 January 1991.

5. From 1 October, the Buryat Republic's Muyskiy Rayon be related to the localities placed on the same footing as the rayons of the Far North.

Include the Muyskiy Rayon in the List of Far North Rayons and Localities Having the Same Status as Far North Rayons, which is used when designating pensions in accordance with the RSFSR Law entitled "On State Pensions in the RSFSR."

6. In 1993, include the Buryat Republic's Muyskiy and Okinskiy rayons in the List of Far North Rayons and Localities Equivalent to Them (according to the conditions for the delivery and supply of goods to these rayons), which was approved by Decree No 267 of the Russian Federation Government dated 23 April 1992 (in the section entitled "Far North Rayons and Localities Equivalent to Them Having a Year-Round Supply of Goods").

7. The Russian Federation's Ministry of Transport, the Russian Federation's Ministry of Economics and the Buryat Republic's Council of Ministers ensure during the fourth quarter of 1992 approval of a feasibility study for reconstructing the Ulan-Ude airport.

The sources for financing the Ulan-Ude airport's reconstruction be determined when developing the projection for expanding air transport during 1993.

8. The Russian Federation's Ministry of Communications, working with the Buryat Republic's Council of Ministers, determine the periods for reconstructing the intercity telephone station and ATS-2 [automatic telephone station-2] in Ulan-Ude using equipment produced by Russian Federation industries.

9. The Federal Contract Corporation "Roskontrakt" Joint-Stock Company, the Russian Federation's Ministry of Economics and the Russian Federation's Ministry of Fuel and Energy solve the question of supplying the Buryat Republic's open-pit coal mines with vehicle tires for heavy quarry dump trucks during 1992-1995.

10. The Buryat Republic's Council of Ministers, working with the Russian Federation's Ministry of Health and other Russian Federation interested ministries and departments, insure completion of the medical center's construction in Ulan-Ude during 1994, which was approved by RSFSR Council of Minister Directive No 922-r dated 22 August 1991.

11. The Russian Federation's Ministry of Defense maintain until 1995 the military subunits in the Dalspetsstroy Association, which are engaged in the most important Buryat Republic construction projects, manning them with the necessary number of servicemen.

12. When developing the projection for the Russian Federation's social and economic development during 1993 and subsequent years, the Russian Federation's Ministry of Economics, the Russian Federation's Ministry of Finance and the Buryat Republic's Council of Ministers make provisions for allocating assets to the development of the material and technical base for the work of the main administration staffs within the administrations of village and settlement councils of people's deputies in the Buryat Republic.

13. When submitting proposals to the Russian Federation government for defining the classification of motor vehicle roads in the Russian Federation more precisely, the Russian Federation's Ministry of Transport include the Kudtuk-Mondy and Ulan-Ude-Kyakhta roads in the list of federal roads.

[Signed] Ye. Gaydar

REGIONAL AFFAIRS

Entrenched Official's Power Base Examined

934C0205A Moscow LITERATURNAYA GAZETA
in Russian No 44, 28 Oct 92 p 10

[Article by Igor Gamayunov: "A Duel With the President"]

[Text] Saratov-Moscow—From A Reader's Letter

...President Yeltsin visited Saratov in January of this year and announced that he had issued a directive to fire our head land reclamation official I.P. Kuznetsov. But nine months have already passed and the chief land reclamation official is still in office. I. Gamayunov described his destructive activity as early as August 1990 in LITERATURNAYA GAZETA in an article entitled "Commander of the 'Brest Fortresses.'" At the time we thought he would be fired immediately, but, as you see, he survived it all—the August (1991) change of power and even the president's decision to fire him... Did he really manage to defeat everyone—both LITERATURNAYA GAZETA and the president himself?

[Signed] F. Pavlov, Saratov

The Bonds of 'Confidence'

President Yeltsin did in fact utter those fateful words in Saratov. Did he know what a flurry of judgments and interpretations would be raised by this one phrase? The appearance of three suns or a fiery cross in the sky would probably have caused less disturbance. For the president promised the incredible—to fire a what might be called shadow leader of the oblast!

When the president left for Moscow, Saratov residents were extremely agitated. They were waiting to see how Kuznetsov would be removed—by going on a pension or into jail. And for what precisely—for the land that was maimed by botched land reclamation or also for machinations involving apartments and construction materials? After Yeltsin's departure Kuznetsov was in the hospital (he is not young, he is 66 years old after all) and the people of Saratov decided: Let him go on a pension—"for health reasons." And they—made a mistake

While Ivan Petrovich was saying goodbye to the doctors, his administrative staff was preparing a package of documents—concerning speedy transformation of the land reclamation empire into the Association of Leasing Enterprises. Ivan Petrovich guided this work over the telephone. They brought the papers right there to the hospital for him to sign. Then they proceeded successfully through all the offices except for one—the oblast antimonopoly committee. Its leader, Nikolay Ivanovich Remezov, flatly refused to approve its registration. He could see that this was merely a change of names. He suggested: Submit the minutes of the meetings of 70 enterprises and trusts that are to be the founding associations. Kuznetsov's apparatus responded to this with a surge of paperwork, and soon a file with 30 sets of minutes was on Remezov's desk. And again Remezov refused—where are the rest?

A question of life and death of the land reclamation monster was being decided. Kuznetsov had been a monopolist for 20 years, and concentrated in his hands was all water management construction in the oblast and everything that goes with it—roads, housing. All oblast leaders got down on their knees before him. It was within his power to accelerate construction in some places and to mothball everything in others. You simply do not let power like that slip through your fingers. Kuznetsov phoned the Vodostroy Concern (the transformed Ministry of Water Management) in Moscow. And he told its chairman, P.A. Polad-zade (former USSR deputy minister of land reclamation), that everything was in order, that he, Kuznetsov, had also been "transformed," all that was left were certain minor details. After signing out of the hospital he convened the council of the unregistered association. And he put the question of confidence in himself to a vote. The chiefs of trusts and directors of plants, who were connected to Kuznetsov by long-standing bonds, of course, voted for "confidence." A message was sent to Moscow: The association's collective (in spite of the president's decision!) did not want to release Kuznetsov from the command post. Here too, the

master of the creation of inflated accountability. Kuznetsov, ended up on top. He deftly defended himself from the president's decision in a way that appeared to be democratic. In a word, the first round of the duel ended in a draw. But there was a second round ahead.

I ended up in Saratov in the intermission between the two rounds. And it was on other business. But then I got a call from Kuznetsov's department—from the "underground opposition." I asked them to come to the hotel. "No way!" they answered nervously into the receiver. "They are on our trail!" Were they joking? No, they had no time for jokes. We spent a long time deciding—where. Finally we agreed. The next day at the appointed time I appeared at a noisy intersection, stood next to a kiosk, and thought: Are they playing a practical joke on you too?

Two years ago I could have understood them. Then the fate of each of them depended entirely on Kuznetsov's mood at the moment. I learned that as I was getting ready to see Kuznetsov, who was to conduct a conference that day. The "underground men" were terrified: "You are wearing light pants? He will throw you out!... Definitely take off your glasses, they irritate him!..." "The underground syndrome," I thought condescendingly, but when I finally made it to the hall and my inner voice gasped. In the presidium at the microphone sat a stocky, bronze-faced, brawny fellow who, red from shouting, was randomly berating everyone and anything. During the pauses, piercing the hushed audience with his gaze, he would shout at someone to stand up and then he would chew them out like a school child. Then his angry bass voice shook the walls with his demand: "Change the attitude that exists in our apparatus." He had in mind the democratic sedition that had made its way here in the form of leaflets. "...Your fate,"—I am quoting it, **depends on the whim of one person... The lot of a slave—eternal degradation... Let us begin to act before it is too late...**

The "underground men" acted by sending letters to Moscow, but they did not dare to sign them. And they only spoke to me on the condition that I not give their names. The only one who dared to come out from the "underground" was the young director of the Kolosok Sovkhoz, Vladimir Kalkopf (Kuznetsov's empire includes sovkhozes as well), who had written to the general procurator about the corner cutting and theft by the land reclamation construction workers. The information in the letter was verified and control measurements confirmed that the construction volumes were over-reported by 102,000 rubles [R]—for those times the amount was significant for a small village, but... No criminal charges were brought. And yet the violations were obvious—construction was not completed on the garage, grain storehouse, or sewage system. And it was not difficult to establish which of the leaders of the main administration accepted these facilities. But the oblast procuracy refused—under the pretext of having lost certain papers.

Even larger cases escaped the all-seeing procuratorial eye in Kuznetsov's empire: Each year, right up to 1990, amounts of state funds that were astronomical for those times—from 370 to 450 million—were frozen because of incomplete construction. The Yerusalnskiy Canal, which did not pass the state inspection committee, was released by Kuznetsov to...himself, and he did things like this all the time. The result of the malfeasance was thousands of hectares of flooded and marshy land and water in the basements of buildings in the cities and villages. The salt raised by the water here made it impossible to do any kind farming, as a result of which more than 50,000 hectares were written off. And indeed, as the present head of the Saratov administration, Yuriy Vasilyevich Belykh, states, of the 500,000 hectares of land reclaimed by Kuznetsov, approximately 150,000-200,000 have been ruined.

The strange blindness of the procuratorial eye in affairs involving Kuznetsov was simple to explain: The main land reclamation administration had custom built a building and moved Kuznetsov's minions into it. Among them were the oblast procurator B. Sheka. Could this servant of justice ensure the observance of the law in the department of his benefactor?

I recalled this as I was waiting by the kiosk for the "underground men." Right then someone called to me. I turned around. I saw a face with polite but guarded expression. Oh, how I wished that we had agreed on a password—we should have gone all the way.

I got into the car. There were people there. We introduced ourselves. And my newfound companions immediately clicked open their briefcases and brought out certain graphs, reports, and numerical computations—documentary evidence of Kuznetsov's abuses. There was not a single signature on a single piece of paper. I explained that all this had to be verified. Only a group of specialists could do this, and it would take them a month. They agreed. I suggested that we take the papers to the procuracy, where the beleaguered B. Sheka had relinquished his position to the new procurator. We would go right then. All together.

We went there... We spread all the information and computations out on the desk of N.I. Makarov, the oblast procurator, like a game of solitaire. Nikolay Ivanovich listened to the explanations and nodded: "Yes, of course, we can check on it." And suddenly he asked: "But do you understand that the one they send up the river will not be Kuznetsov but the leaders of the subdivisions that allowed these violations?"—"But they did it under pressure from Kuznetsov!"—"But are they ready to admit that, in the first place? And in the second place, can they prove it?" The faces were flabbergasted and there was a agonizing pause. And the procurator pointed to a stack of files—there are nine criminal cases from Kuznetsov's department. Yes, they managed to discover certain things anyway. Someone was given a fine, someone else was given amnesty, but Kuznetsov himself remained on the sidelines.

Secret Comrades-in-Arms

The duel was resumed in the summer. The president's blow seemed crushing. He documented it in an edict: Monster construction organizations were to self-destruct and turn into partnerships or joint-stock companies. And Kuznetsov understood that it was now or never! His telephones started working full time. He worked in two directions—he worked on the “lower levels” of the oblast and at the same time he consulted with the “upper levels” in Moscow. This was a decisive operation, and therefore in his artillery preparation Kuznetsov turned over the command post—in the presidium, at the microphone—to his long-standing adviser who had come especially from Moscow, P.A. Polad-zade, who is known, incidentally, for his active participation in the development of the phantasmagoric plan for diverting the northern rivers.

He had a difficult task: to convince leaders trusts and enterprises that were previously a part of the main administration to convert to joint-stock operations TOGETHER. That is, on the sly to continue to be the monster that dictated prices and other conditions to the client—to make sure that the client had nowhere to escape from their shoddy work, to look for competitors. But God forbid that all this should happen. Polad Adzhiyevich stipulated: It is not for management that this kind of structure is created but so that the branch will survive.

Well, what about the leaders of the trusts and plants? Their folding chairs squeaked, they looked around and sighed. At this point each of them could convert to joint-stock operations independently. Freedom, there it was—just step through the open door. But it turns out that it is comfortable, the “lot of the slave”—the manager takes on all sins, and the more cumbersome the structure, the more depersonalized the responsibility. The head of a trust could even be offended by a rayon procurator, but try to offend a colossal association or main administration. They would crush him!

Kuznetsov?... What about Kuznetsov... Well, he is crude, well, he is nasty. Sometimes he would give the order to build one thing and then throw all the resources into something else. But behind this too—was the political scorecard!... Thus in 1989 he brought a lot of equipment and people to one place—and he ordered them to build roads and housing; it turns out that this was the electoral district of the first secretary of the oblast committee, A. Khomyakov, and Kuznetsov was supporting his election campaign. After the elections, of course, they abandoned everything. But Ivan Petrovich had set his sights high—Khomyakov was then called to Moscow...as chairman of the RSFSR Gosplan [State Planning Committee]. And how many of his people does Kuznetsov have in current government circles, in that same Ministry of Agriculture...

The leaders of the trusts and plants voted for forming a joint-stock company together. In one association. Under

the leadership of this same Kuznetsov. The four brave dissidents who chose freedom anyway did not count for anything compared to this mass. I asked one of them, the leader of the Privolzhskvodstroy leasing enterprise, V.I. Yezhkov, what was holding the rest of them there. “They are afraid of burning their last bridge,” explained Viktor Ivanovich, “and then everything could turn back around...” Yezhkov “burned” this “bridge” a year ago, when after several years of work as first deputy for Kuznetsov, he himself took a “demotion”—to a trust, which he transformed into a leasing enterprise.

I phoned Polad-zade. He spoke of the dissidents with a quiet laugh: “We told them—have it your way!... There is no pressure...” In general he is satisfied. He went to Volgograd a couple of days ago and conducted a founding conference, and representatives of oblast associations like Kuznetsov's helped him transform the Vodstroy concern into a joint-stock company. The management organ headed by him, Polad-zade, created a board of directors. And Kuznetsov, of course, was a member of this board.

Comrades-in-arms like Kuznetsov and Polad-zade, who are linked by a common past, are preserving “their branches” in order to preserve their power. And the more monolithic their monsters, the easier it will be for them to paralyze any reforms.

I asked Yu.V. Belykh, head of the Saratov administration, to comment on the situation. “A person of the past,” said Yuriy Vasilyevich about Kuznetsov. Will the damage he has done be assessed? After all, this would require a nondepartmental, independent board of experts. “Of course, we will do all that,” answered Belykh.

“Otherwise our posterity will never forgive us...”

And so the second round of the “Kuznetsov-president” duel ended in a draw. What will the third round be like?

Administrator on Krasnodar Reform Progress

934C0199A Moscow ARGUMENTY I FAKTY
in Russian No 42, Oct 92 p 4

[Interview with V. Dyakonov, head of the Krasnodar Kray administration, by ARGUMENTY I FAKTY special correspondent V. Savichev; place and date not given: “At the Edge of the Great Power: Be Careful Not To Stumble”]

[Text] V. Dyakonov—formerly a construction specialist, a candidate of science, and currently the head of the Krasnodar Kray administration—has become an odious figure thanks to his reform-related activities.

He is interviewed by our special correspondent V. Savichev.

[Savichev] You are considered Yeltsin's protege. Is this actually so?

[Dyakonov] I share his views and support his course to the extent possible. People often say: See, as soon as Yeltsin thinks of something, Dyakonov jumps to carry it out. I would put it differently: Much of what Yeltsin puts into practice first takes place in Krasnodar Kray.

[Savichev] And what takes place here?

[Dyakonov] We currently have 12,000 private farms, and there will be another 40,000 before the end of the year. Of these 12,000 only 180 could not compete with kolkhozes.

[Savichev] Do they now produce any real output?

[Dyakonov] Of course! Enormous amounts. A Tikhoretskiy Rayon sovkhoz has collected 6 quintals of buckwheat per hectare; at private farms it is at least 30. As to animal husbandry... If we had to live exclusively off kolkhoz herds now, we would not have any milk, or anything at all, for that matter. They use the equipment more efficiently, build their own threshing floors, barns, stalls. We have farmers who communicate with banks over the telephone, and the banks issue them credit on a telephone call. And why not, if the client has tens of millions in his account?

[Savichev] The benefit from private farmers is obvious. Why then does the kray soviet oppose you so actively?

[Dyakonov] Because all the first secretaries—from kray to rayon committee level—are entrenched there, as are all the kolkhoz chairmen. The whole thing started as soon as land was distributed last year. In a matter of two months about 6,000 farms were established. I prepared three versions of the decree: 50 percent of all equipment allocated to the kray goes to individual farmers; all equipment that is unusable or abandoned by kolkhozes also goes to them. And the third version, in case the other two do not pass: obligate kolkhozes to set up mechanized brigades to work on private farmers' lands. In addition, I tasked them with supplying the farmers with petroleum products.

The hoopla that this started! They have their own people everywhere—they have their own lobby in the government and in the Russian parliament. This is the kray's most powerful mafiosi monopolistic structure, which has representations and accounts in German banks, and keeps common accounting, a common price policy, etc. When I was abolishing the agroprom [agro-industrial commission], I was offered bribes in hard currency, and sued—they tried everything. They know perfectly well that the democrats will not put anybody into concentration camps or kill them, so they act arrogantly. Here in Kuban none of them still take Yeltsin's decrees seriously. His decree on land was recently rescinded here.

As to the farmers, they wanted to handle it very simply: We will not take their wheat, will not provide drying facilities, will not take it into storage, will leave them

without gasoline and transportation. Nevertheless, we held on until the fall, and harvested and preserved the farmers' crops.

[Savichev] Krasnodar today is a border region of Russia. How do the events in the Caucasus affect life in the region?

[Dyakonov] It all reverberates here, events in Armenia, Georgia, or the North Caucasus. We have about 1.5 million Armenians alone, counting relatives who have come to join them. The local population is being persistently told that they are the source of all troubles—"sock it to the Armenians, save Russia." And they do sock it to them. Thugs from the Cossack host are especially active. As a result, Armenians are arming themselves, as are Greeks.

[Savichev] But the same Armenians—according to the letters we receive at ARGUMENTY I FAKTY—behave arrogantly, to put it mildly: they buy up the real estate, take over trade, and behave like they own the world.

[Dyakonov] First, we have lived with Armenians for a long time. They are our Armenians, who integrated into our everyday life long ago, and nobody has anything against them. The newcomers are a different matter—they often come with big money and, taking advantage of the current legal chaos—in particular with respect to immigration laws—try to settle here by hook or by crook and establish their own order of things here. Still, we need to combat them in a civilized manner, through the law rather than with sabers and whips.

[Savichev] Speaking about whips... How do you feel about the Cossacks?

[Dyakonov] The mass movement itself emerged with some help from the former communist leaders, at a time when they realized that their slogans did not work anymore. They needed to change their colors fast. Hence the emergence of the Kuban Cossack Host, which attempted to speak in the name of the people and preached these ideas: We are not Russians, we are a separate ethnic group; therefore, we should close the border and stop feeding those Moscow hacks. Naturally, they were against private property, against "Yeltsin the Zionist." Subsequently, each ataman attempted to repeal Yeltsin's edicts and decrees.

[Savichev] Listening to you, the Cossacks are some kind of dark force. Are you not per chance a Cossack?

[Dyakonov] Although I am a Cossack by my grandfather's ancestry, I told them straight: If you are for Russia, for our state—I am with you. If not, I am not going to lift a finger for the revival of the Cossack class. Power still means a lot here. So today nobody is yelling any more that we should not give anything to Russia.

[Savichev] The Confederation of Mountain Peoples of the Caucasus has come to the forefront these days. Creation of a so-called North Caucasian state is a very

real prospect. This is associated, however, with territorial claims, with the status of the Russian-speaking population living in these regions, etc. In your opinion, what should Russia's position be in this matter?

[Dyakonov] Russia is going through a watershed now; it cannot deal with all its problems simultaneously. This chain reaction of division will bring nothing but bloodshed. Therefore, a moratorium should be declared on all attempts to separate, and all of us should think about the market. If reforms succeed, many of the reasons that are prompting separation will disappear.

[Savichev] One can declare a moratorium, of course, but who will observe it? What do you do then—use force?

[Dyakonov] When the communists were in retreat they set up a lot of delayed-action mines. One of them is the law on the rehabilitation of repressed peoples. This law needs to be suspended immediately, because tomorrow will be too late. Even our people here started separating into Cossacks and trash.

[Savichev] What do we do with Chechnya?

[Dyakonov] I think that if they want to live separately, let them. Set up borders to keep them from shuttling back and forth. Otherwise it is nothing but a headache: today they are shipping arms somewhere, another time engaging in banking scams, or speculating with large shipments of food.

[Savichev] If the border is closed, they will make life so miserable for the Russians there that there will be an exodus. And, again, towards your parts...

[Dyakonov] Of course they will mainly come here. There are already quite a few people moving here from there. Well then, why not set up a migration exchange in this case? We also have many Chechen living here.

[Savichev] Are you suggesting a forcible relocation?

[Dyakonov] Semiforcible, semivoluntary. If they want to preserve the purity of their nation, we ought to help them with that. Reach an agreement and set up the exchange. We have currently sharply curtailed the issuance of residence permits in the kray—after all, we have to maintain the ethnic balance. Of course, this does not provide any grounds for chasing out people who have lived here for decades. In a democratic society people are valued according to their contribution to the life of society rather than the color of their skin.

Kabardino-Balkar President on Unity of Republic, Shanibov

934C0233A Moscow NEZAVISIMAYA GAZETA
in Russian 22 Oct 92 p 3

[Article by Igor Terekhov: "We Have Learned Our Lessons From Recent Events"]

[Text] President Kokov began his press conference devoted to the post-crisis situation in the republic with the outcome of the Moscow meeting between the heads of former autonomous regions and Boris Yeltsin. Establishment of a council comprised of the heads of republics and chaired by the Russian president, in the opinion of the president of the Kabardino-Balkar Republic, is evidence of a change in the Russian leadership's policy, "a shift toward the interests of its constituent republics." The optimistic mood of the Kabardino-Balkar Republic president was due in part to an edict on Kabardino-Balkaria's social and economic development presented to him by Yeltsin at the conclusion of their meeting.

Hopes for improvement of the socioeconomic situation and the propaganda efforts that have been made permitted the president to express certainty that a repetition of the disturbances which occurred in his republic is impossible.

Referring to "the indecisiveness of a government which did not put a stop to the 10-day rally in Nalchik," the president stated that he had plenty of chances to "suppress those gathered in front of the House of Soviets buildings by force of arms." However, there were members of virtually every clan present, and to do so could have resulted in unforeseen consequences. Therefore, in the president's opinion, one positive outcome of the confrontation was the fact that the situation was stabilized by political methods and without greater bloodshed.

For the first time the head of the republic declared the goals and the very existence of the Congress of the Kabardin People (KKN) and the National Council of the Balkar People (NSBN) "exhausted." As you are aware, those organs, which were created at national congresses and declared themselves the highest representatives of the Kabardino-Balkar Republic's native peoples, set themselves the goal of proclaiming a Republic of Balkaria and a Kabardin Republic. According to Kokov the power structures gave them an opportunity to investigate the issues they posed for themselves and draw the necessary conclusions. Today, in the opinion of the Kabardino-Balkar Republic president, those are: a majority of KKN and NSBN members acknowledge that talks on delineation of a boundary between Kabarda and Balkaria have reached a dead end, that this is not a matter that can be resolved amicably, and that therefore, according to the president of the Kabardino-Balkar Republic, no new republics can be proclaimed, and the need for the aforementioned organs has ceased to exist. That is particularly true since Russian law has imposed a three-year moratorium on any state-territorial repartitioning of the Russian Federation. "We are not having a confrontation with them; we have a difference of opinion with them," said Kokov. "We cannot work with those who reject our position that we are a part of the Russian Federation and who are in favor of partitioning the republic into two parts." However, the president of the Kabardino-Balkar Republic also declared his intention to maintain close ties with the Kabardin social and

political organization Adyge Khase, the Balkar organization Tere, the Slavyane [Slavs] Society, and Tovushi Tat Society and other organizations and associations which are working to preserve and develop the cultural heritage of the peoples that live in Kabardino-Balkaria.

A question was asked regarding the situation of Shanibov, president of the Congress of Caucasian Peoples [KNK], whose arrest set off the confrontation in Nalchik. Kokov said he did not so much "have any doubts concerning the propriety and legality of the criminal charge against him" as he "was attempting to end a senseless confrontation as quickly as possible." However, at this time Shanibov prefers to remain either in Chechnya or in Abkhazia, the peoples of which enthusiastically support the organization he heads.

Newly Elected Deputy for North Ossetia Interviewed

934C0193A Moscow NEZAVISIMAYA GAZETA
in Russian 23 Oct 92 p 3

[Interview with Aleksandr Dzasokhov by Yevgeniy Krutikov; place and date not given: "Aleksandr Dzasokhov: 'I Will Not Restrain Myself Artificially'"]

[Text] Aleksandr Dzasokhov, former secretary of the North Ossetian CPSU Obkom [oblast committee], former secretary of the Central Committee and member of the politburo of this party, and former chairman of the Commission on International Affairs of the USSR Supreme Soviet, was recently elected into Russia's Parliament from North Ossetia. Many predict a high, new position in Vladikavkaz for him. He himself thinks that Dzasokhov does not have a special role.

[Krutikov] Aleksandr Sergeyevich, there is talk about you as a possible leader of Ossetia. What is the fundamental difference between your position and the views of radical national politicians?

[Dzasokhov] The trouble is that many (I do not want to mention names now), giving in to the national sentiment, continue to say on behalf of the people things that by no means are needed now. Extremism must be constantly ousted from political life and from social consciousness. In South Ossetia, first of all, we must search for compromise approaches, try to instill confidence in people who left the homeland not of their own accord, and show that a war is no longer going on and that they can return to their homes. After that we must talk about the restoration of the status of South Ossetia—this is a key question, in which political, strategic, and other problems are interwoven.

[Krutikov] Some politicians maintain that the process of reconciliation in South Ossetia began precisely with your meeting with Eduard Shevardnadze in Tskhinval...

[Dzasokhov] I do not try to gain any special role for myself, nor do I agree with the belittling of the importance of our joint visit with Shevardnadze to Tskhinval.

In the end, some provisions, which later were affirmed in the Dagomys Treaty, had been formulated precisely in the course of this meeting. New circumstances—first of all, the events that took place on 11 October in Georgia—must also be taken into consideration here: After the period of rule of extreme nationalists (I have in mind former president Zviad Gamsakhurdia) Georgia finally received legitimate bodies of power. We believe that the Ossetian nation has the right to hope that after 3 years of war Eduard Shevardnadze, chairman of Georgia's Parliament, will now announce approaches to the solution of Georgia's national problems. Previously, we said: The authority in Georgia is illegitimate, we must wait. But now it is time to begin negotiations.

[Krutikov] Did you receive some invitations to participate in negotiations or in some peace-making missions as a mediator?

[Dzasokhov] I did not receive such proposals in a formal version and I think that it was a mistake. I do not personify my participation in negotiations, but I believe that it is necessary to show initiative and to make new balanced proposals. I will not restrain myself artificially...

[Krutikov] Now there is a great deal of talk about the holding of new elections in South Ossetia and the renewal of leadership...

[Dzasokhov] If this has already been decided, then they should be held. Contradictory processes are now taking place in the policy and social consciousness of South Ossetia. Talks about new elections have been going on for a long time. Now I do not intend to give recommendations to political figures, although this perhaps would be useful for the cause. If elections are to be held and the leadership is to be renewed, we should do this now and not wait and postpone [them].

[Krutikov] And in North Ossetia? After all, you ran for Russia's Parliament and won.

[Dzasokhov] I have constant contacts with many leaders of North Ossetia. Furthermore, I realize that much cannot be done from a distance now. I plan to be in the region every week and, at worst, twice a month. Furthermore, it was nice for me to hear here, in Moscow, from colleagues in the Supreme Soviet proposals to participate in working out decisions for our region. I consider this an open proposal to utilize my potential for the work of the Russian Parliament.

With regard to the situation in North Ossetia I must note that the elections were far from formal and Ossetian society is interested in stability now. Voters largely voted for specific people whom they knew, not for the "reds" or "whites".

[Krutikov] The border dispute with Ingushetia over Prigorodnyy Rayon is a cause for special alarm among the population of North Ossetia.

[Dzasokhov] A new reality has also arisen here. A Russian Federation law on the formation of the Ingush Republic was adopted, its state structure will be formed, and then we will be able to begin talks with them as well. Prospects are opening up for official contacts.

First Congress of Workers, Peasants, Intelligentsia of Central Urals

934C0194A Moscow KOMSOMOLSKAYA PRAVDA
in Russian 29 Oct 92 p 2

[Article by V. Sanatin, Yekaterinburg: "On the Nature of the Provincial Opposition, or Why the Generals of the Military-Industrial Complex Are Demanding Yeltsin's Resignation"]

[Text] The First Founding Congress of Workers, Peasants, and Working Intelligentsia of the Central Urals was held 18 October in Yekaterinburg. For the third time in the past year the opposition has demanded resignation of the Yeltsin government and made a show of gathering the president's enemies on his home ground.

This event perhaps did not deserve press coverage. But soon V. Novoselov, chairman of the Coordinating Council of Workers in the agrocomplex, announced from the screen of oblast television the formation of a central Executive Committee and shadow cabinet. He alluded to the experience of his colleagues in Nizhniy Novgorod, who have already formed shadow political structures.

Not a single work collective in Yekaterinburg, as far as I know, gave anyone the power to sign on to the idea of creating a central Executive Committee and the plans for removing the legally elected government. Who, then, in the Urals is making use of the name of the "workers, peasants, and working intelligentsia"?

Following the congress, we saw on our television screens not only N. Novoselov, but also S. Borisov, executive director of the Association of Industrial Enterprises, "heir" to the putschist A. Tivyakov, who by no means concealed his sympathy for his former "boss." The association mainly brings together enterprises of the military-industrial complex, but it considers itself capable of rallying workers of all sectors of the economy on an ideological-political basis.

Criticism of President Yeltsin and the Russian Government (the central authority is charged with adoption of a pro-Western position, squandering national resources, liberalization of prices, and the disintegration of the domestic economy) by the industrial lobby of the military-industrial complex is off-base to say the least! Take this question: "Who ruined the kolkhozes?" In our region, in the Urals, who did it?

Yegor Gaydar was learning his letters when in Sverdlovsk Oblast the peasantry degenerated never to recover and began to comprise 10-12 percent of the entire able-bodied population. Giantism, industrialization

beyond the measure of each rayon center, building plants one after another with a connecting passage.... That is what exhausted, devastated, and exterminated the Ural peasantry. As in the day when Mikhail Gorbachev took up the post of general secretary of the CPSU Central Committee, the peasants represented only 6 percent of the able-bodied population in our oblast.

In the years of the party's five-year plan, the lobby of plant directors siphoned billions and trillions of rubles from the state treasury into the semimilitary and military industry of Sverdlovsk Oblast. What is the result?

In Prigorodnyy Rayon, which is a peasant rayon bordering on Nizhniy Tagil, and indeed even in Tagil itself, all the smoke of the countless new industrial construction projects and the entire health of the people went off with the tanks which we are now giving away left and right....

In Nevyansk, the historic Demidov Decades Plant was closed to tourists—they were making artillery shells and aerial bombs at the plant which was a museum....

The tragedy in neighboring Chelyabinsk, the enormous piece of plowland contaminated in 1957 by the nuclear disaster in the area of the production association "Mayak," was not enough for the people of Sverdlovsk, and we built our own Sverdlovsk "mayaki [lighthouses]" underground. To this day, they are "flashing," but they are not brightening the income of most of the population of the oblast with even a ruble.... Finally, the military-industrial lobby had the bright idea of locating the production of bacteriological weapons within the city limits of Sverdlovsk, and in one horrible instant they poisoned the altogether unsuspecting inhabitants of Chkalovskiy Rayon, as if they were mice. And on the outskirts of Chkalovskiy Rayon there are two very large suburban vegetable and meat-and-dairy farms. The directors of these farms can today boldly join the ranks of the opposition. But they are the ones who on the day after the disaster and also their sovkhos livestock were hypocritically accused...of spreading anthrax! After all these crimes which the military-industrial complex has committed against the health of the inhabitants of Sverdlovsk Oblast, I do not think I would want to talk about the "antipopular policy" of the young Russian Government!

During the time Boris Nikolayevich was first secretary of the Sverdlovsk Oblast Committee of the CPSU, there was no month when the first secretary did not contract with the directors' lobby to produce some peacetime products on the side—consumer goods. At the Plant imeni Kalinin in Tizyakov, in addition to cruise missiles, they learned to make good lamps. At Plant No. 333, in addition to electronics for the military-industrial complex, they learned to make the wonderful "Malyutka" kitchen sets and a separate production operation emerged to make sets of furniture.

To this day, an industrially advanced oblast like Sverdlovsk has not begun to think with its own mind and has

not produced a single minitractor for a peasant in the Urals. Whatever village you go to, the peasants are plowing their gardens on rigs they have put together from metal scrap.

What kind of peasant is going to follow them into battle?

What kind of worker who has a piece of land with an orchard or garden "will die in the fight for that"?

The policy of the Yeltsin government can be proclaimed "antipopular." There have been many serious and incomprehensible mistakes in it. But the policy of the military-industrial complex, when for decades the worker could not see the end product, received a miserly wage, and at the same time was arming dozens of armies in the world, that is not an antipopular policy!

The industrial oblasts of the former Union received wages thanks to the incredible quantity of alcohol produced locally and imported from abroad. I remember the reaction of local party authorities to the Gorbachev-Ligachev "dry law." That was the first time I heard Viktor Manyukhin, second secretary of the oblast committee, use abusive language.

That is also the time when the first stage of the financial crisis began in the industrial oblasts, and the first failures to pay cash to brigades and shops were to follow. Then, in order to somehow offset the second round of inflation, the Gorbachev-Pavlov government took from the public the big bills they had and household savings.... What was the industrial lobby begging for at that time? To take the Kremlin comrades to court for the outrage against the country's ruble and its population? Nothing of the kind. The industrial corps continued to beg for loans and licenses for major barter deals and independent deliveries abroad—including tanks and other arms.

How could one help shouting at rallies: "They have sold out Russia!" But I would phrase that shout of desperation differently: "Mr. Yeltsin, you must answer to the people for our general corruption!"

The report of the opposition at the founding congress was utterly self-serving. "The criminal economic policy of Yeltsin and Gaydar has destroyed the state sector," production has fallen to 22 percent of last year's level.... What is surprising about that? Well, at the Nevyansk Machine Plant production of aerial bombs fell all of 100 percent and amounted to zero. The metal is going into the production of gas stoves for cottages and garden houses, they are producing looms, and all of a sudden a small firm is knitting sweaters. So what now, are we supposed to cry about that?

Yes, the production of tanks in Tagil, at Uralvagonzavod, may be cut back. And even more than 22 percent. The people there are planning to make a new type of bus gas-cylinder installation for Moskviches and Zhigulis, and small-size excavators.... So what are we supposed to do now: Blow up and detest the oblast administration and Yeltsin to boot because of these initiatives?

But perhaps we should not just wait around while others help themselves? It is ridiculous when in a kolkhoz that has been turned into a partnership the chairman and bookkeeper privatize half the combines and dump trucks and exchange them for Zhigulis, and they send the lop-eared peasants who have no horses to a rally to criticize Yeltsin. The workers are struck by the high wages of the directors' lobby, but who is it at this point who is going to go out and fight to get political power for them? I would not be surprised if Yeltsin, without waiting for the oppositionists to come to power, himself starts out on the "rigid totalitarian road." That is, the road of strict enforcement of the law. All it takes is to bring up the financial affairs of one and then another of these political entertainers, and all the thirst for criticism will disappear.

Today, there is not enough authority for those who already have quite enough money.

Following the example of B. Yeltsin, of Yu. Petrov in Sverdlovsk Oblast, you can popularize the idea of conversion and sideline manufacturing of consumer goods until you are blue in the face.... And the directors' lobby will reluctantly take 10 years organizing the production of a trivial haymow and dream not about the well-being of the ruble and the economy, but about complete power.

In the times of Demidov here in the Urals, they cannot take control of one plant—they need to absolutely control them all!

Issue of Siberian Independence Examined

Siberian Independence Party Official on Separatism, Capitalism

934C0169A Novosibirsk SIBIRSKAYA GAZETA
in Russian No 23-24, Jun 92 p 6

[Article by Vera Petuning and Viktor Serov: "Boris Perov, PSN Chairman: 'The Party Has Stopped Agitating for Siberian Independence and Is Starting To Take Action'"]

[Text] Snapshot: born in Tomsk, 1950. Graduated from an instrument building tekhnikum, served with the border guards and worked in the city's municipal services department for almost 20 years. Currently a correspondent for the oblast newspaper NARODNAYA TRIBUNA (as Boris Ivanovich himself put it, "I came to the newspaper by decision of the Siberian Independence Party's Political Council, with the goal of telling Siberians about our party's views.").

Siberian separatism is the name of the idea within the framework of which many parties and movements and their leaders are operating today. For example, there are the Siberia and Free North [Volnyy Sever] movements and the schemes to create the Daur, Far East or Siberian republics or the North Asian United States. They are all based on one sacred truth: the intolerable position of the

country's outlying regions, which are raw materials vassals and environmental settling ponds for the imperial capital, a place where little regard is paid to the rights of the local population.

Among the latest turns of events in the development of this issue was an ultimatum from Igor Cherevkov, leader of the Far Eastern Republic Party (DVRP) [Dalnevostochnaya republikanskaya partiya] to the President in which he claimed that there are no grounds to regard the territory of the former Far Eastern Republic as part of Russia. The DVRP intends to work for a referendum on the question of whether to reestablish the Far Eastern Republic.

The platform of the North Pacific Forum [Severo-Tikhookeanskiy forum] seems a bit odd, to say the least. It favors "unification of the krays, republics and oblasts of the USSR's Pacific region into a federative state (the North Pacific Federative Republic [STFR—Severo-Tikhookeanskaya Federativnaya Respublika])... and formation of a North Pacific nation comprised of STFR citizens."

In a similar vein there was the statement by B. Perov at a session of the Tomsk Oblast Soviet in which he reproached the deputies for their unwillingness to resolve Siberians' problems, claiming that international capitalism regards Siberia as a source of raw materials and cheap labor. The PSN [Siberian Independence Party—Partiya Sibirskoy Nezavisimosti], said the author of the "March theses" (in which he expressed support for Siberia's state sovereignty and its complete separation from the "imperial center"), supports any acts of civil disobedience directed against colonial policy in the region and favors the convocation of a congress of the Siberian people as the highest organ of authority in Siberia.

The mass media have reported that the oblast procurator requested permission from an oblast soviet session to file criminal charges against B. Perov under Article 70 of the RSFSR Criminal Code, but that request was denied.

The PSN is not officially registered because its leaders feel that it would be impossible to do so via power structures which the party "is preparing to abolish." The precise number of PSN members is unknown; B. Perov is of the opinion that there has not been any need to count them. However, there are presumed to be 80 active PSN members in Tomsk and about 1,500 throughout Siberia.

Evidently the PSN does not have any official platform documents, either, since instead of those documents and despite a prior agreement with us B. Perov offered our editorial offices his own article, characteristically titled "Siberia Has No Alternative." In that article the author once again lashes out at the policy of the "imperial Russian center" which is "wholeheartedly in the service of the IMF and international capitalism."

"We are witnessing an unprecedented game of rise-and-fall in the dollar-ruble exchange rate as compared to

previously established rates. Even that \$6.0 billion in foreign currency intervention will not remain in Russia long. Most of it will flow abroad, with a tiny portion staying in the hands of the Moscow exchange brokers and their bosses in positions of power."

"...Russia does not have a chance of winning. But why should Siberia follow Russia down the toilet?"

Boris Ivanovich has already expressed opinions like that numerous times, and his article would probably pass unnoticed were it not for the new conclusion drawn by its author: the PSN is completing the agitation stage of its struggle for Siberian independence and is creating an organizational committee to convene a congress of Siberian peoples.

"The PSN appeals to those who are concerned about the future of Siberia and asks them to help by sending any donations they can make. Our address and phone numbers are:

634050 Tomsk ul. Tatarskaya, 9 "A" kv. 4

Phone: 22-66-90; 44-66-32"

Tomsk City Council Head Views on Siberian Independence

934C0169B Novosibirsk SIBIRSKAYA GAZETA
in Russian No 23-24, Jun 92 p 6

[Interview with Anatoliy Ivanovich Cherkasskiy, Tomsk City Soviet chairman, conducted by Viktor Serov: "Maybe I Will Become a Hero of Capitalist Labor"]

[Text] Snapshot: Born in 1943 in the village of Khoroshoye, Novosibirsk Oblast. Graduated from high school with honors. Primary field of specialization is mechanical engineering. Has worked for 25 years at the Tomsk Cutting Tool Plant, of which four years (1986-90) were spent as an "ordinary" setup man. The reason for his demotion to a blue-collar job was a conflict with the director who refused to produce a new technology (one that is now bringing in substantial profits). An inventor and the author of many applied efficiency proposals.

Was a CPSU member for 18 years, then joined the Republican Party (RPRF), membership in which he suspended after being elected chairman of the Tomsk City Soviet in a multi-candidate election in May 1990.

[Cherkasskiy] ...I have no joy. This is hard, painstaking work. It is like walking along a narrow ledge. You grab at every projecting object and slowly move toward more solid footing... But we now know in which direction we must move to get out of the pit into which we have fallen. And that is encouraging.

[Serov] Anatoliy Ivanovich, they say that we are all the authors of a drama which plays out before our very eyes. Clearly that means that we can in some way influence the outcome of events as they occur. But I feel that the authors and puppet masters are somewhere higher up,

that I am not the author of the drama, but instead a player in it. Problems arise, and one does not always know what to do about them...

[Cherkasskiy] It is nonsense to think that a state can be governed from above. Pointless. If we are content to be puppets, then that means we are worthless. But I have seen how the past two years or so have been for a purpose. Both politicians and economic leaders have grown. There are people who can do the job of organizing local governments. We will leave those who come after us the field ready for planting, because we will be the ones to clear away the mud and the rubble.

[Serov] Does that mean that each generation and each individual must travel their own part of the road?

[Cherkasskiy] Absolutely.

[Serov] At one rally Tomsk communists warned democrats: "It's too soon to celebrate, gentlemen." On the other hand, there is also the influential Tomsk People's Movement [Tomskoye narodnoye dvizheniye], a symbiosis of various parties with similar goals and objectives. Who and what influences your personal position and the city soviet's position?

[Cherkasskiy] Well, I've been around for quite a while. I have knowledge and experience. But those must be corrected with consideration for many things, including the opinion of the pensioner who came here today walking on a crutch, fell down in front of the gorispolkom and could not get up... But there is no decisive influence from any party or movement.

[Serov] Anatoliy Ivanovich, a question in passing. One of my journalist colleagues said upon returning from a business trip to your city: "The people in Tomsk have a greater sense of their own dignity. In Tomsk (and in Russia as well) a new and heretofore unknown type of civil society is taking shape.

[Cherkasskiy] That is the result of our intellectual potential and centuries-old traditions derived from the independent Siberian spirit and from the Decembrists... We have realized that we cannot go on living this way, and that is an essential step on the path toward creation of a new civil society.

To a certain extent that society should be connected with Christianity. Up until now we have been using the channel offered by the builders of communism.

[Serov] Which degraded Christianity.

[Cherkasskiy] Yes... Just look at the proverbs and sayings that originated in our era: "human beings are like wolves toward one other," "work is not a wolf, it will not run away into the forest"... When did these originate? There has been a change in work attitudes, a change in attitudes toward property, a change in our spiritual makeup. We have seen the emergence of collective thinking; we have gone back to the herd mentality that we broke free of long ago...

To conclude my thought, I would like to say that we definitely will have a civil society. Or else we will disappear as a people. There is no other choice. We have come to the point where the nation begins to disappear, where the individual begins to disappear. If each person realizes that it is quite possible for us to become inhuman, to become physiological and spiritual mutants, then that will mean that we are returning to civilization.

[Serov] Anatoliy Ivanovich, the privatization problem... Some people feel that lobbies from corrupt circles and the new bosses of the shadow economy are slowing down privatization.

[Cherkasskiy] It is actually advantageous for the new bosses of the shadow economy to resolve property issues as quickly as possible. Most likely it is not to the advantage of the old bosses of the shadow economy and the old bureaucracies, and to anyone else who wants to resolve all these matters their own way. That is, "plants and factories to the workers and land to the farmers," after which the farmers will be represented by administrators and workers by the bureaucratic nomenklatura, or by someone else.

[Serov] The bosses of the shadow economy have money, brains and ability, while corrupt elements basically have nothing more than an official position and a certain amount of money, but with no brains or organizational abilities. Is that perhaps why they are hitting the brakes so hard?

[Cherkasskiy] I can tell you this: we cannot even be good corrupt officials. Sometime we get documents where you can tell that the hands of their authors were guided by a really high official who was well acquainted with the shadow structures and trying to please them. Or else he does not understand what to do. I am inclined to the latter opinion.

[Serov] The Novosibirsk newspaper EKONOMIKA I RESURSY claims that "if the privatization program in Novosibirsk Oblast is fully implemented, controlling blocks of stock in most municipal enterprises will wind up outside of Siberia. To that it should be added that labor collectives, whose rights have been severely curtailed, could purchase not more than five percent of fixed capital in the trade system and food service, and less than one percent of industrial enterprises. Do you agree with that assessment?

[Cherkasskiy] If we continue to use auctions and competitions, yes. In Tomsk, at least. Though I do not exclude the possibility that even now we have sufficiently well-developed commercial structures which could also buy something.

The problem lies elsewhere. Suppose that 30 percent, or even 20 percent, of all retail outlets are bought by one individual or by a group of individuals, or a single company. Instead of a state monopoly we will have a private monopoly, which is even worse. In such cases we will have to keep very careful track of who is buying what

(and our program makes provision for doing so). We must establish a network of private companies, regardless of where they come from. We also will place restrictions on representatives of other countries, including CIS countries. But people from other oblasts and from within this republic may do as they please.

[Serov] You said "our program"...

[Cherkasskiy] It is Tomsk's program.

[Serov] Please comment on the situation in regard to the privatization scandal, the time your oblast soviet said "no."

[Cherkasskiy] The oblast soviet is assessing the economic situation in last year's terms. But the situation has changed. They are profoundly ignorant of the real situation.

[Serov] You mean the city soviet understands the situation, and the oblast soviet does not?

[Cherkasskiy] Over 60 percent of the oblast soviet deputies are from rural areas. Almost 90 percent of the city soviet deputies have higher education. In the "small soviet" alone there are two doctors of sciences, six candidates of sciences and some very distinguished experts. We have set up a center for expert analysis, a step that has allowed us to draft legal documents and standards more correctly.

[Serov] A word about the role played by local soviets. That is a topic of discussion nowadays. In our conversation one year ago you defended that structure, "which provides for a strong presidium to function between sessions and with the same rights as a session, working primarily to resolve property-related issues; the ispolkom is free to engage in practical activities. That structure makes it possible to clearly define the functions of the soviet and the ispolkom and gives the latter an opportunity to function more independently and more professionally. And in the final analysis the function of a soviet's ispolkom is to create independent commercial subjects through restructuring of economic relations and to break through people's close-minded mentality. Everything should belong to private owners, from apartments to communications and major highways." What has changed since then?

[Cherkasskiy] We have already reached that level. Everything follows a logical chain of command. There are 15-20 professionals who keep up with normative documents and make social prognoses. The administration takes orders for programs and works to implement them.

I repeat that I support the municipality, i.e. a city soviet without rayon divisions. A city is a single territorial unit. The city administration is unified, but it has its own administrative organs. Take the public registry office, for example: there might be five of them in a city. Police precincts—maybe four or five? Or 10? Maybe some high-crime areas would have two police precincts. We need a unified structure that will balance development

throughout the entire city. We are presently preparing a city charter that will embody those very principles.

[Serov] A little over a year ago you said that "the public's way of thinking is one of the obstacles on the road to a market economy."

[Cherkasskiy] Now the public is also accepting private property. No one has any doubt that private property can save us from theft and fraud.

[Serov] Do you think there is any danger of a coup?

[Cherkasskiy] The only way we could go back is through fascism. There are those agitating for that. But our fascism is a special brand: social Bolshevism. That is even worse. But in order to push the people in that direction you must justify yourself before the people and pretend that you have not been robbing them for 74 years. And that is hard to do. Like they say, if you have soiled your nest, then just sit there and stop chirping about it.

[Serov] What is your opinion of Siberian independence?

[Cherkasskiy] I can only envision a Siberian republic as a state when all the rights and conditions for each living human as set forth by the Declaration of Human Rights, regardless of nationality, are ensured, and when full economic independence is ensured. But full political independence, if not the end of everything, is at the very least a step backwards. I think that we will live to see a time when there will be a single Eurasian commonwealth reaching from the Atlantic to the Pacific.

[Serov] Try to look into your personal future. What could you be tomorrow? What post might you occupy? And if not some official post, then what...?

[Cherkasskiy] An interesting question... When I began my studies the only thing I had in mind was to become a scientist. Even now I still retain my inclination toward analysis and experimental work. I can take risks. I think that I could also be a fairly substantial businessman. There is a project which I could realize independently. Most likely that is what will happen—I will try to sell an invention that I already have. Or maybe I could sell my brain...

Politics...? Most likely I will not have enough energy left for that.

[Serov] Is there any chance that you might become a hero of capitalist labor?

[Cherkasskiy] Quite possibly.

Phases in Hypothetical Separation of Siberia

934C0169C Novosibirsk SIBIRSKAYA GAZETA
in Russian No 23-24, Jun 92

[Article by Andrey Sobolevskiy: "The Siberian Path Attempt at a Prognosis": "Scenario for Siberia's Possible Separation From Russia in 1995"]

[Text] In the 3 February 1992 issue of *SIBIRSKAYA GAZETA* our writer Andrey Sobolevskiy opened a discussion on the topic "Siberia: The White-and-Green Option," i.e. on the reasons behind, the current state of, and the prospects for the separatist movement in Siberia, and the possibility of Siberians obtaining sovereignty as a counterweight to what the author terms the currently existing "Russian empire."

Regular *SIBIRSKAYA GAZETA* readers will be familiar with replies to that article from readers and experts, and many lances have been broken in these pages already over the question of whether or not Siberia will become sovereign.

Today *SIBIRSKAYA GAZETA* takes the discussion one step further by publishing a scenario for Siberia's possible separation from the Russian Federation—naturally a hypothetical and arbitrary one, but at least one that is frank. Of course we will also find room in these pages for those who oppose A. Sobolevskiy's views.

The pioneer's laurels are always mixed with thorns.

I have described the development of Siberia as an independent state more or less completely. Insofar as possible I have attempted to avoid the temptation of utopia, opting not to depict crystal palaces, private homes for one and all, or tomato trees. The most important thing that I submitted to readers' judgment was a development alternative based on principles which are very far removed from the fiscal imperialism of post-August Russia. For doing so I was compared by one of my most polite opponents to Dudayev and Gamsakhurdia simultaneously. Another person—verbally, it is true—called me a Kolchak. And one young man invoked the shining institution of public flogging in the preamble to his article. That boy was probably beaten as a child.

Other respondents reacted more simply: "I did not read your fiction, but my duty as a citizen compels me to speak!"

Discussion of Siberian sovereignty has been set in motion like a stone rolling downhill, and I feel I have a right to throw after the incipient avalanche one more little patterned little design. A crystal with several facets—a prognosis of what could eventually happen, and when.

Stage 1: Discussion of the Topic

This stage has not only begun, but has actually passed through several stages of development. From modest outlines to fundamental statements. From polite polemics to outright libel. From a provincial curiosity to the real threat of us attaining the status of "united and indivisible."

As you may recall, at first little reports began cropping up in the Moscow press, things like "nudists in Astrakhan" and "separatists in Siberia." Now Radio Liberty

is doing broadcasts on one version of Siberian sovereignty and people's deputies at all levels and leaders at the oblast and republic level are talking about it. Political scientists and economists at the highest level do not hesitate to express their opinions. *NEZAVISIMAYA GAZETA* has seriously asked whether Siberia can perhaps expect a "white-and-green spring" and at the conclusion of a prediction which greatly alarmed Moscow called Russian people's deputy A. P. Manannikov "a well-known regionalist."

I will make no effort to conceal the obvious: at the current stage a majority have expressed negative opinions about this. Nor could it be otherwise—this is a premise which evokes rejection. But there is nothing more beneficial for a premise than a volley of rapid rejections, because they indicate what motivates opponents. At the present time the centralists' motives can be reduced to three primary ones.

Emotions, emotions and more emotions. Irrational fear. It is their hearts, not their brains, telling them: oh no, things will be bad, bad, in a sovereign republic! Exhaustion from constant political cataclysms: let us rest and catch our breath, enough already, we're tired! Aggressiveness. Aha, someone we haven't beaten up yet! We beat the communists, the beat the Zionists, so now let's lay into the separatists! And assorted other noble sentiments. (Incidentally, the short letters from readers published by *SIBIRSKAYA GAZETA* usually contain these emotional assessments.)

Imperialist illusions in the realm of the conscious. Myths of the most diverse origin and tone. Francis Bacon would have called them "idols." Pure and sparkling, like mirages. The myth of the prosperous United and Indivisible "before the Bolsheviks," quickly exhumed by Pikul and Govorukhin. The myth of blood spilled for some reason not for the sake of human happiness, but merely to reconfigure the state border. The nationalist myth of Russian's ethnic unity, which is superior to fundamental human aspirations. (Myths and legends are good in the academic presentation of N. A. Kun, but not as a platform for an independent polemical position.)

Selfish imperialist motivations. Selfish does not necessarily mean bad. Selfish means connected with personal benefit. A number of those who oppose the "white-and-green option" today genuinely can achieve much greater heights in a centralized Russian state than in an emerging, newly-independent one. If only by virtue of the fact that in this state they are already engaged in something, whereas in a new one they would have to start over again, and with different demands and rules of the game... They find it better to work for the empire that feeds them than for something at the end of the tunnel. (What can today's oblast governor expect in that state? Of a professor who has made his name debunking groundless and thoroughly bourgeois regionalism? Those opponents have something to lose. Therefore they are serious opponents.)

Generally speaking, all three groups of motivations illustrate how stupid it is to live in Siberia and be a centralist. Emotions are shallow and inconstant... Great-power myths can be replaced with anti-great-power myths. The legend of the Third Rome can be replaced with the prediction of a Second Singapore, because organized myth substitution is, pardon me, a matter of talent and technique. And sooner or later the provincial careerist will realize his own vulnerability vis-a-vis the Moscow careerist and will recall the wisdom of that great careerist of antiquity, Julius Caesar: "Better to be first in a Gallic village than second in Rome."

But none of that will happen anytime soon.

I will make a daring prediction of how long will be required for **discussion of the topic**.

Discussion of "Russia vs. Siberia" in all its forms will last proportional to collapse of Siberians' hopes in connection with the Yeltsin-Gaydar reforms. Sometime in late summer or early fall 1992 (at the end of a bad summer, a damp, cold and landless one!) there will emerge a steadily growing shift in the balance in favor of those who support Siberian sovereignty. In approximately November or December 1992 the debate will no longer be so much about whether sovereignty is beneficial or harmful as about which version of sovereignty should be selected.

That moment marks the beginning of:

Stage 2: The Great Sermon

As soon as the supporters of Siberian sovereignty become clearly predominant (both in numbers and in ability), as soon as the discussion begins to be conducted not so much with them as among them, then the separatist community will realize the need for an authoritative appeal to the most diverse social groups. Respected individuals will begin to emerge from among the various types of "white-and-green" supporters. No, these will not be the movement's future leaders. At that point they will be **people who will be listened to**.

Who are they?

Politicians? Ugh. Neither the current heads of the assorted "administrations" nor deputies, and least of all the "new underground" enjoy, with rare exceptions, any confidence and support from below. For the most diverse reasons: because they have had enough time to make their own mistakes, because they have not yet paid off old debts, and because the very route taken by politics in the "glasnost-to-coup" interval has been so thoroughly discredited.

The military? But no one listens to them. People either feel sorry for them (enlisted men, extended-duty soldiers and officers) or fear them (senior officers and generals). People only expect one thing of the military today: that it perform its specialized task of defending some sort of Fatherland from citizens that are not its own. The police,

the gendarmerie and all the other branches of His Majesty's officialdom inspire approximately the same reaction.

Entrepreneurs? Unfortunately it will be a long time before they can hope for any respect from anyone. The image of the businessman in this era of initial accumulation is cartoonish, or at best tragi-comic. Gobsok, Robert Macaire and Ostrovskiy's characters. Businessmen rate each other variously, but their overall rating among non-businessmen is poor. As quite ordinary people like to say, "they are all crooks, just widely varying kinds of crooks."

Scientists? Getting warmer. Not just any kind, of course. Not the Olympian gods who head the Siberian branches of the various academies. Others, those who enjoy some respect in the environmental field and on the field of battle to win social guarantees for the "lower classes," and the defenders of small ethnic groups. Strong economists, legal scholars and sociologists who have not been compromised by their "road to power."

The creative intelligentsia? Even warmer! Talented and conscientious writers, artists and masters of screen and stage have always been "more numerous in Russia than poets." This also includes journalists of the better sort and investigative journalists...

The two latter groups have one undisputed advantage. Their political activism is perceived as activism by individuals who are successful and well-established, hence those activities must be selfless and motivated by higher considerations. Therefore trust is added to the respect that they enjoy.

Let us assume that it will be precisely those people who will create the popular manifestos, speeches and appeals to the Siberians. Naturally we have in mind individuals who are not motivated in their development by the Moscow information-and-publishing structure. It would be stupid to present Astafyev or Rasputin as tribunes of regionalism. But they are not the only ones who are popular, and that is encouraging.

Stage 2 (Parallel): Seduction by Example

Entrepreneurs and business will still be fated to play a role in the process of Siberia's emerging sovereignty. The first "ball in the pocket" will be the opening of windows to the outside world. From a second-rate market for the sale of shopworn Chinese rags, Siberia is gradually being transformed into an arena for commercial interaction. More and more exchanges, fairs, meetings, conferences and trips in both directions are being undertaken—on a non-commercial basis as well, incidentally.

This is a long and difficult process. But one of the inevitable results of it will be an awareness of genuine civilization and familiarization with its values.

What immediately strikes anyone who visits a developed country? The abundance of goods and the way people are treated.

Initial reaction? Rejection, of course! "That is not for us," or "the specifics of development," and so on are the initial responses. Those who oppose Siberia's movement along the civilized path have repeatedly attempted to play on this initial reaction, asserting the "...fallacy of implementing an arbitrary state restructuring based on foreign models." (I. Aristov)

But constant and long-term contacts with the "other world" will gradually convince ever wider circles of Siberians of the advantages of civil societies over authoritarian ones. The priority of the individual over the mass will be confirmed as we make the real-life acquaintance of those societies' strong points. A person who has worked in America for even six months will be—pardon my frankness—a diehard opponent of the Great Russian State. Because for a whole 182 days he has been able to walk into a hotel without showing a passport, did not have anyone poking into his private affairs and was judged solely on the basis of his professionalism, not whether he belonged to a certain divinely-chosen people.

The first temptation to move in that direction was done in by grapeshot. The liberation campaign of 1813-14—increasing familiarity with Europe—Senate Square—Siberia... Incidentally, there was only one Siberian regiment in that whole campaign. Now the army of "discoverers of the outside world" is growing. Slowly but surely its composition is becoming more democratic. Sooner or later the mass of knowledge about real democracy will become critical.

Unfortunately I myself have little to impart. But more and more often I hear stories from mid-level entrepreneurs, engineers and managers who have returned from the world and broken with "intellectual imperialism." The more such people there are, the simpler they themselves are and the more specific their information, the fewer chances there will be for the proponents of abstract and fear-filled straw men like the "state instinct" or the "ethnic sense."

The value of civil, commercial and mental comfort will prevail over their chimeras.

But not soon. No matter how progressive the process of Siberia's internationalization, no matter how much people who have others' trust may preach sovereignty, the time lag will be long.

Catalyst 1: Kremlin Flutter

That is an aviation term. Flutter means increasing spontaneous vibrations which appear when an aircraft approaches the speed of sound, and which can destroy an aircraft in flight. Flutter is caused by shortcomings in aircraft design and/or unskilled actions by the pilot.

A sure, a very sure, but oh so unskilled hand is hurling Russia into a state of flutter

We are picking up speed. Rushing forward wildly, unleashing unrestricted prices, privatization and free trade! Enterprises are being subjected to invisible tax burdens, and these are busting every budget from individual households to the state.

The craft was clearly not designed for this speed and overload. It is still unclear to whom the land belongs, the courts and the law are hopelessly outdated, and we have just barely scratched the surface with regard to the threat of corruption.

The wing tips are beginning to vibrate and the fuselage is peeling away.

The state is "staving off" an extreme overload. As a property owner, as an administrative structure and as a repressive apparatus... But its resources of resistance are at the breaking point. Particularly its human ones. New waves of strikes are breaking out. Thoroughly professional ones of indefinite duration. The losses of strength in every area of activity are snowballing (including the relatively civilized business world), leaving only banal money-grubbing. With the intent of banal self-preservation.

The state is growing weaker before our very eyes. Russia is no longer capable of acting as an arbitrator right here at home in the Transcaucasus region or on the Dniester. The Moscow Kremlin is yielding step by step to the Kazan Kremlin, just as it once yielded to microscopic Chechnya. Doubtful of the future of the Black Sea Fleet, Russia has snatched its best aircraft carrier over from under Kravchuk's nose. That was all the Fatherland was able to recover...

This flutter and the state's overload of self-destruction are the catalyst which will accelerate the arrival of Stage 2. By the end of 1992 state institutions will be so weakened and confused that they will not be able to interdict political and propaganda moves by the white-and-green forces. In December 1992 the government will be four times as unpopular as it is today. I am certain that it will not change its course, and by that time it will no longer be listening to anyone but itself. All the seeds of the Great Sermon and all the Seduction by Example will fall on fertile soil.

The ground will probably be ready for sowing even before the planting season begins.

Sometime in March 1993...

Stage 3: The Leader

I admit, it is much more difficult to imagine this stage than the previous ones. The "going to the people" by the growing regionalist community and the increasing response to appeals which only recently had been considered "nonsense" will at first prompt the emergence not of a party as leader, but rather an individual as

leader. That is attested to by the entire history of political movements since 1985, with the "Novgorod party," "Travkin's party" and "Zhirinovskiy's party" springing up around individual figures... In our state of flutter confidence will be the first to go, and if people do still believe it will be in someone, not something.

But who will they believe?

I would go so far as to describe three types of leader.

A charismatic leader surrounded by an irrational or even holy aura. This is the preacher-leader, the ideologue-leader, the one who sets hearts afire and speaks in appeals and aphorisms. Mao, Khomeini, Arafat and Quaddafi are all in this category.

On the one hand, the overloads affecting the mass psyche favor the emergence of a charismatic leader who will call for the building of some sort of unique and ideal *jama-hiriya* in Siberia. On the other hand, the foundations of neo-regionalism—economic liberalism, Siberia's integration into the world community and an orientation toward individuals and their activism—will give a charismatic movement little chance of success in this particular region.

A conservative leader, the supporter of smooth and cautious growth into capitalism. Minus the haste and wildness that characterizes our current "Russian way." Such a leader could come from the lower levels of the former party apparatus, from the scientific community or from entrepreneurs in the state-owned sector.

He will transform regionalism into the idea of creating in Siberia the ideal model for emerging from totalitarianism through the still-untested "socialism with a human face." Incidentally, the likely popularity of such an ideology has clearly been underestimated.

A democratic leader, i.e. a participant in the democratic movement of 1988-91, yet one who has not been close to power or become disillusioned with it. To keep fighting and criticizing the government's lack of democracy is a confused and shaky position. It would be better for this "dissatisfied democrat" to take a step to one side. And start agitating not only for a greater degree of democracy, but also for something specific and tangible.

For such an individual the "Siberian idea" is truly a gift from heaven. No retreat from the democratic program, plus a tremendous amount of room both for criticism and for constructive suggestions!

So who will it be?

Most likely two leaders will come to the fore of the public movement for Siberian sovereignty in the spring of 1993. The first will be oriented toward a maximalist program and will lead the most impatient and consistent supporters. The second one will be constantly checking to find out the viewpoints of regional authorities and their associations and will operate among the members of the

"Siberian Accord." He will be followed by the "solid people" who do not want to lose what they already have but also want more.

There will be competition between these two, and sooner or later that competition will result in conflict.

Stage 4: From Conflict to Formation of a Bloc

I submit that this will occur in an overt form in April-June 1993. The Democrat will be backed by the press, rallies, the impatience of small property owners, and the desire of the broad masses, tormented by the Kremlin's flutter. The Conservative will be backed by the powerful who have already traded the tricolor flags in their lapels for bicolors. They will be joined by significant segments of the population who realize the advantages of sovereignty yet are very fearful of extremes.

Up until the spring threshold indicated above, the conflict will develop in the form of an intraparty debate, so to speak. It will take place at the level of competition between programs and versions of documents. But as soon as the road to power emerges from beneath the snow the conflict will move into a public phase. We will begin to see television and radio debates and fencing in the newspapers.

Naturally the Democrat will prove strongest at that sport. He will prevail over his opponent both by the number of his arguments and by their quality, and simply by his style and his ability to hold his own. But the art of political intrigue will be on the Conservative's side. It is there that he is on his home court. And at some stage in the conflict the Democrat will realize that he is losing ground. The "white-and-green" governors, the directors of enterprises, the bankers and the exchange traders will begin grouping more and more closely around the Conservative. Naturally they will feel more comfortable with a leader who is capable of persuading Moscow to make voluntary concessions than with one who intends to achieve them through pressure tactics that could have unforeseeable consequences.

How will this conflict be resolved?

Most likely by an internal compromise reached in August-September 1993 after tumultuous debates over the summer.

Why?

Because the Democrat and the Conservative will become more necessary to each other than they themselves think. Each will point to his opposite and say: "There are certain things that I cannot allow myself to do, because I must always reckon with him." Each will find it necessary to strengthen his camp with deserters from the other side. The Democrat will seek to win over the bureaucrats, industrialists and businessmen; the Conservative will go after the intellectuals and ideologues. The Democrat will be faced with the necessity of strengthening his

appeal among the "solid people," while the Conservative will have to do so among the common people, youth and the intelligentsia.

The main force that will attract the two leaders to each other will be a realization that their objective is not attainable by either one of them alone. Neither the "leftist" nor the "rightist" regionalists are capable of making the idea of a sovereign Siberia a reality. The former will not have long enough arms to do it, and the latter will be a bit weak in the intellect department. And each side will have its own unique arsenal! The "leftists'" main contribution will be effective propaganda and popularity with the masses. The contribution of the "right" will be money, communications, channels and access.

The compromise will be expressed through a tandem leadership. Each leader will become an "equal first," though, in almost Orwellian fashion, one will be "a little more equal" than the other. The public will no longer be surprised by this sort of give-and-take... The solid Conservative and the energetic Democrat will sit together on one stage, in one presidium and under a single white-and-green banner. They will unify and organize the heterogeneous regionalist community. Several small parties like the current Siberian Independence Party (PNS) will form a bloc. Or some other alliance. And then they will publish their platform (maybe in SIBIRSKAYA GAZETA!). It will be devoid of any "leftist" extremes, but it will also be shorn of any outright toadyism and begging. It will set specific goals and will outline equally specific means of achieving them.

Catalyst 2: Measuring the Mantle

It appears that this projection will require a second point of departure. It is **New Year's Day 1994**. There are leaders, a movement and a platform. How long will it be until that platform is implemented? That is the trickiest question for the author of any prognosis like this. As in any scenario the author starts by giving the initial conditions. Conditions contributing to acceleration, and conditions slowing things down. A skeptical nature inclines him to the latter. Yet, oddly enough, his experience inclines him to the former!

Consider this: what sort of air will we be breathing in the winter of 1993-94? Cold and tense. In the mass consciousness, i.e. in the heads of each one of us, several stable concepts will already have taken root.

... That the Russian and Moscow authorities are powerless and hostile. The image of the enemy—I am not afraid to use that much-abused term! The tricolor flag, the gloomy slipperiness of "royal addresses" and the fawning Ostankino announcers will evoke the same reaction as the hammer and sickle, Brezhnev's muttering and "Glory to the CPSU!"

... That the regionalist movement is strong and dependable. Remember what facilitated Yeltsin's political survival: his purely folkloric reputation as a persecuted

intercessor who could not be touched by fire, water or bullet! The Siberians will have their own Intercessor with his guard, whom they will forgive their sins and support with more than just their votes.

... That a better deal has been earned through many years of poverty and robbery. The platform mentioned above will be popularized and spread to the miner, the farmer, the reindeer herder and the fisherman. The "image of a better deal" will become so tangible that I would not recommend that even my worst enemy raise a hand against it.

Then there is the inevitable reflection of all that in everyday life, on the street, in the cities and beyond their boundaries. Little bicolor flags, pins, sweatshirts and caps. "White-and-green" songs on millions of cassette tapes. Portraits stuck in the front windows of KamAZ trucks and above bus driver's seats. Proclamation that a change for the better is coming soon... Well, is that not already happening?

This will be the situation which will mark the beginning of what I would dare call the second and decisive catalyst of Siberian self-determination. There will be a massive shift of those in power to the white-and-green banner. Mayors and governors, military and police officers, industrialists and bankers will sense which way the wind is blowing. And they will set their sails accordingly. First it will be ordinary people trying on the free clothing of citizens of their own country. But then not-so-ordinary people will start trying on their mantles as future leaders.

Of course, this mass process will not be unanimous. We will have our unyielding opponents, our Starodubtsevs and Tizyakovs. But these "people of yesterday" never do accomplish anything. Realizing that, their more quick-witted colleagues will start vying for favor in zealous rivalry. Maintaining the necessary loyalty, of course, but all the while preparing their portfolios and offices.

This does not refer so much to the formation of a sort of shadow cabinet as it does to the "reprogramming" of the upper social levels. To a change of perspective. To the choice of sovereignty as a nearer and hotter sun which will keep us warmer and allow us to grow faster and taller. And I am by no means making fun of this! As they say, it is a poor soldier who does not want dream of being a general.

I submit that the measuring of the Mantle by those "at the top" and the spread of bicolor caps among those "at the bottom" will take about one year. That is a long time compared to the pace which I predicted for earlier events. But bear in mind that all the things I outlined previously affected just hundreds or thousands of people.

Now we are dealing with a different order of magnitude

Stage 5: Negotiation and Compromise

Any prediction worth its salt must be based on the principle of "diminishing returns." The farther we attempt to look ahead into the future, the more difficult it becomes to envision that future.

Therefore I will not attempt the most dubious goal, i.e. a detailed, stage-by-stage description of the "solution to the Siberian problem." I will restrict myself to a few suppositions.

Events will take the form of negotiations between the President and the Russian Government, on the one hand, and the leaders of the Siberian movement and representatives of elected organs of local government, on the other. The appointed governors and other representatives of the central government will attempt to disrupt and delay the negotiations.

On several occasions the negotiations will arrive at a complete dead end, because both sides will make several attempts to speak from a position of strength: "And we will shut off the valves that supply you!" "And we will do the same to you!" and so on.

Both sides will reject an appeal to the will of the masses and a referendum. Moscow because of the "Tatar syndrome," and Siberia because it remembers the outcome of that famous referendum "on the future of the USSR."

The side called "Siberia" will represent the territories of the West and East Siberian economic regions. Yakutia, Buryatia, Tuva and Khakassia will remain on the sidelines until the last minute.

Due to the all the factors I have cited, the whole process will take less than a year. **A compromise will not be reached before 1995; any more precise prediction is impossible.**

In the broadest terms that compromise will look like this:

State status. A sovereign state is a subject of international law. With its own symbols. Its own law, starting with a constitution. Admission of those that were "on the sidelines" with the rights of special subjects.

This will include a specific Siberian-Russian State Treaty. Russia will be granted special rights in partnership with Siberia for an indefinitely long period of time.

Security. Its own weapons and police forces. Siberian rejection of weapons of mass destruction (in contrast to A. Sobolevskiy's previous statement that Siberia should have the neutron bomb—editor's note).

This will include unified strategic planning, a system of space-based and antiaircraft defenses and negotiated deployment of Russian troops in Siberia. Mutual extradition agreements.

The economy and finance. An independent Siberian budget and fiscal structure, its own tax system, and control over imports and exports.

This will include mandatory exports to Russia of energy and a number of raw materials on a quota basis and at favorable prices. In exchange Siberia will receive the same quotas and favorable prices for the import of other goods. Thus Siberia will have an incentive to expand its production of both quota and non-quota goods. In the former case in order to increase counter shipments of quota goods, and in the latter in order to expand trade volume with third countries. In the field of precious metal and gemstone mining a special mandatory "tribute" to be taken by Russia will be established. The most serious concession will be preservation of a unified ruble zone. One small compensation for that will be a number of agreements reducing Siberian banks' dependence on the Central Bank of Russia.

Citizenship. Separate Siberian citizenship in accordance with the Siberian constitution.

This will include unhindered entry and exit for citizens of Russia and the absence of any non-political advantages for Siberian citizens.

Vital services. Continuation of joint Russian-Siberian control and servicing of the Transsiberian Railway, the Northern Sea Route, air corridors and the principal trunk routes of energy supply. An accord governing interaction in the event emergencies.

Science. In this area a solution will be reached by means of "joint housekeeping in separate living quarters," and the same will be done in the fields of education and culture.

...Thus we have one of the most paradoxical scenarios for realization of Yeltsin's famous phrase: "Take all the sovereignty you can manage!"

Epilogue: The Landscape After the Battle

An economic system cannot be built in a day. The economy will continue to be affected by the aggregate of all the old commercial and financial dependencies, both small and great, longer than anyone would ever have predicted.

In politics there will be excesses, and there will be stops and starts, as is inevitable whenever freedom is gained. There will always be some rabid cretin who is prepared to throw a bust of N. N. Muravyev into the Angara in the same way they tore Dzerzhinskiy's image down from its pedestal.

There will definitely be mistakes as we create our own legal system. All the ethnic problems will continue to plague us for a long time—in that regard unjustified benefits are almost more harmful than discrimination...

No, Siberia cannot be turned into Kuwait or Singapore in a day. The main result of acquiring sovereignty will not be an automatic solution to every problem, it will merely be to bring people closer to solutions to those

problems. The main advantage to independence is reduction of distances. Simplified participation in common affairs.

That will be the first fruit of sovereignty.

We will have to wait for the rest to ripen...

(P.S. I cannot resist adding a short note to those who oppose Siberian sovereignty. Esteemed colleagues! This debate is about specific matters pertaining to the economy, the law, citizenship status, etc., etc. In the future let us limit our statements to that which is essential. Let us stop using the shaman's repertoire: appeals to spiritual, instinctive, energy-based, genetic, or soil-blood-milk elements. Because your "white-and-green" opponents could also launch a great campaign!

Is it worth it?)

Religious Conflict Touches Novosibirsk Oblast

934C0224A Moscow KOMSOMOLSKAYA PRAVDA
in Russian 24 Oct 92 p 1

[Article by A. Chelnokov: "There Is No Peace in the Church Either"]

[Text] The conflicts in the Russian land are even reaching remote parts of Siberia. For example, in the city of Kuybyshev in Novosibirsk Oblast, where the ardent revolutionary Valerian Kuybyshev once languished in tsarist exile, the differences between the Overseas Church, which was established here long ago, and the Novosibirsk Eparchial Administration of the Moscow Patriarchate have come to a head.

During the night before last Saturday representatives of the Russian Orthodox Church seized St. John the Baptist Church, which belonged to the parish and had long been an object of dispute between the two Russian churches. Parish members coming to service "cut off" the electricity and telephone of the guests, who had locked themselves inside the church, after which everyone was forced to refrain from further defensive actions. The church passed into the hands of the "overseas" parish, and the attackers became the besieged.

The representatives of the Novosibirsk Eparchial Administration went away, promising to return with the militia.

Father Victor Pereshivko called the Novosibirsk newspaper office and reported that representatives of the authorities, wielding clubs and threatening to use fire-arms, had "taken" St. John the Baptist Church.

Statute on Functions of Regional Committee for Administration of Property

Edict Approving Statute

935D0062A Moscow ROSSIYSKAYA GAZETA
in Russian 28 Oct 92 p 5

["Edict of the Russian Federation President: On Confirmation of the Model Statute on the Committee for Management of the Property of Kray, Oblast, Autonomous Oblast, Autonomous Okrug, and the Cities of Moscow and St. Petersburg, Which Has the Rights and Authority of Territorial Agency of the Russian Federation State Committee for Management of State Property"]

[Text]

1. To confirm the attached Model Statute on the Committee for Management of the Property of Kray, Oblast, Autonomous Oblast, Autonomous Okrug, and the Cities of Moscow and St. Petersburg, which has the rights and authority of territorial agency of the Russian Federation State Committee for Management of State Property (henceforth—the Model Statute).

2. To establish that statutes on committees for the management of property of krays, oblasts, autonomous oblasts, autonomous okrugs, and the cities of Moscow and St. Petersburg, which have the rights and authority of territorial agencies of the Russian Federation State Committee for Management of State Property, are drawn up based on the Model Statute, and may not contradict the Model Statute.

3. To impose supervisory responsibility for the execution of this edict upon the Russian Federation State Committee for Management of State Property.

[Signed] President of the Russian Federation B. YELTSIN

Moscow, The Kremlin

14 October 1992

No. 1231

Text of Statute

935D0062B Moscow ROSSIYSKAYA GAZETA
in Russian 28 Oct 92 p 5

["Model Statute on the Committee for Management of the Property of Kray, Oblast, Autonomous Oblast, Autonomous Okrug, and the Cities of Moscow and St. Petersburg, Which Has the Rights and Authority of Territorial Agency of the Russian Federation State Committee for Management of State Property"]

[Text] This Model Statute determines the main functions, rights, and responsibilities of a committee for the management of property of kray, oblast, autonomous oblast, autonomous okrug, or the cities of Moscow and St. Petersburg (henceforth—of kray and oblast), which

has the rights and authority of territorial agency of the Russian Federation State Committee for Management of State Property.

1. GENERAL PROVISIONS

1.1. The committee for property management is established by directive of the chief of administration of kray, oblast, autonomous oblast, autonomous okrug, or the cities of Moscow and St. Petersburg, on the basis and in execution of the RSFSR Law dated 3 July 1991 "On the Privatization of State and Municipal Enterprises in the RSFSR."

Committees for property management are endowed with the rights and authority of territorial agency of the Russian State Committee for Property Management by directive of the Russian State Committee for Property Management.

1.2. The committee for property management (henceforth—committee), having the rights and authority of territorial agency of the Russian State Committee for Property Management, operates within the framework of authority established by Russian Federation legislation and by this Model Statute, as well as in accordance with directives and instructions of the Russian State Committee for Property Management, and of the administrations of kray, oblast, autonomous oblast, autonomous okrug, or the cities of Moscow and St. Petersburg, issued within the framework of their jurisdiction.

1.3. The committee is subordinate:

in matters of management and disposition of the property of kray and oblast—to the chief of administration of kray and oblast, and the appropriate soviet of people's deputies;

in matters of the privatization of facilities of kray and oblast ownership—to the Russian State Committee for Property Management, chief of administration of kray and oblast, and the appropriate soviet of people's deputies;

in matters of privatization, disposition, and management of facilities of federal ownership—to the Russian State Committee for Property Management.

1.4. The committee is a juridical person and has a stamp and round seal with its name and the depiction of the State Insignia of the Russian Federation.

1.5. Decisions and directives of the committee adopted within the framework of its competence in the execution of state and local programs of privatization are mandatory for all organs of state government and local administration, and all state enterprises, institutions, and organizations.

1.6. The authority of the committee may be transferred to a city (except in the case of rayon-subordinate cities), or rayon (except in the case of rayons-in-city) committee for property management only in the portion with

respect to management and disposition of the property of kray or oblast. In this regard, the kray or oblast committee for property management issues a directive granting rights of territorial agency to the rayon (city) committee for property management. The transfer of other committee authority to any other organs of state government or juridical persons whatsoever is prohibited.

2. COMMITTEE FUNCTIONS

The committee carries out the following functions:

draws up, taking into account requirements of the State Program of Privatization of State and Municipal Enterprises in the Russian Federation, and presents for confirmation by the appropriate soviet of people's deputies, the draft kray or oblast program of privatization, amendments and additions to it, and draft normative acts on questions of privatization;

draws up and submits for confirmation, in accordance with established procedure, to the Russian State Committee for Property Management the lists of facilities to be transferred over to ownership of kray and oblast;

organizes and supervises the implementation of state, kray, oblast, and local privatization programs, and renders reports on their execution to the Russian State Committee for Property Management and the appropriate soviet of people's deputies;

receives and registers applications for the privatization of enterprises of federal and state ownership, of subdivisions and integral parts of property complexes of enterprises of federal and state ownership (henceforth—state enterprises);

establishes commissions on the privatization of state enterprises;

confirms plans for the privatization of state enterprises;

founds joint-stock companies of the open variety in accordance with Article 22 of the RSFSR Law "On the Privatization of State and Municipal Enterprises in the RSFSR";

delivers certification on the ownership of privatized state enterprises to the appropriate property fund;

facilitates the establishment of investment funds and holding companies;

analyzes progress in and effectiveness of measures to privatize state enterprises;

sends its representatives to be members of commissions established by the Russian State Committee for Property Management for the privatization of facilities of federal ownership;

establishes, reorganizes, and eliminates state enterprises in accordance with established procedure;

approves the statutes of state enterprises; concludes, amends, and dissolves contracts with their directors;

ensures that inventories are conducted and assessments made of state assets in accordance with established procedure;

maintains the register of state property located in the territory of kray and oblast;

acts as the lessor for state property;

draws up documentation for transfer from one balance sheet to another of facilities of state ownership, in accordance with legislation in effect;

carries out functions as the seller of state enterprises until such time as the appropriate property fund begins activity;

establishes a system of awarding bonuses to workers of organs of state government and local administration, enterprises and institutions, and physical persons participating in the accomplishment of privatization programs.

3. COMMITTEE RIGHTS AND OBLIGATIONS

3.1. The committee has the exclusive right:

to conduct privatization of state enterprises located in the territory of kray or oblast, with the exception of facilities of Russian Federation ownership, taken under consideration by the Russian Federation Government or Russian State Committee for Property Management, buildings and premises pertaining to federal property and (or) used to situate organs of state authority, government, or justice of the Russian Federation, including decisions on questions concerning the methods, time frames, and forms of privatization of specific facilities within the limitations as prescribed by legislation;

to draw up contracts for the leasing of state property;

to dispose of state property and conclude contracts by which an enterprise secures state property for exercise of the right of economic administration, with establishment of the limits of such administration, and to conclude contracts for current management of property;

to make decisions on the mortgaging of state property and its transfer for noncompensated use, within the committee's jurisdictional limits;

to make decisions, in accordance with established procedure, on the establishment, reorganization, and elimination of state enterprises, and on changes to their organizational-legal form, with the exception of enterprises for which decisions are made by the Russian Federation Government or Russian State Committee for Property Management;

to make decisions on the contribution of assets, which constitute federal or state property, to the organizational

capital of enterprises of any organizational-legal form, in accordance with Russian Federation legislation.

3.2. The committee has the right, within the limits of its competence:

to request information on the activity of all enterprises, institutions, organizations, or organs of state government or local administration in the territory of a kray or oblast, to the extent which is required to maintain the state property register and to conduct and assess the course of privatization (enterprises, institutions, organizations, organs of state government, and committees for property management are obligated to provide the requested information within the time frame prescribed by the committee);

to constitute the legal successor in contracts of state property leasing, including lease contracts with option to buy concluded previously with enterprises, organizations, or institutions in the capacity of lessors (with the exception of contracts of the leasing of buildings and premises acknowledged as monuments of history or architecture in accordance with established procedure);

to send directives to the administration of enterprises being privatized on matters dealing with the conduct of privatization, which are to be executed on a mandatory basis;

to obtain the assistance of juridical and physical persons in carrying out the functions of commissions on privatization;

to make application to tax inspectorate organs on verifying the accuracy of completion of the balance sheets of state enterprises during the course of their privatization;

to appear in courts and courts of arbitration;

to send materials to organs of the procuracy for resolving matters related to the institution of criminal procedures;

to act as property fund representative, in accordance with the competence determined in an agreement with the appropriate property fund.

3.3. The committee is obliged:

to render reports on the results of its activity to the Russian State Committee for Property Management and appropriate soviets of people's deputies;

in the event of violation Russian Federation legislation or the infliction of harm to its economic interests during the conclusion of property transactions involving state property, to institute proceedings in court or court of arbitration for a review or annulment of such transactions and for bringing charges against guilty parties;

to inform on a regular basis, at established times, the Russian State Committee for Property Management and appropriate soviets of people's deputies with regard to the course of privatization.

3.4. The committee does not have the right to engage in commercial activity or receive income from the profit of juridical persons they have instituted.

3.5. The Russian State Committee for Property Management has the right to curtail the authority of a territorial agency in a portion of the management or disposition of federal property, or to establish a co-subordination of two or more territorial agencies, if they are established within the limits of a single kray or oblast.

4. DIRECTORSHIP OF THE COMMITTEE

4.1. The committee is headed by a chairman, who is by job position a deputy chief of administration of the kray or oblast.

4.2. The committee chairman is appointed to his position by the chairman of the Russian State Committee for Property Management, upon nomination by the chief of administration of the kray or oblast, in accordance with existing legislation.

The committee chairman is discharged from his position by the chairman of the Russian State Committee for Property Management, in accordance with existing legislation.

4.3. The chairman bears the entirety of responsibility for the activity of the committee.

4.4. The committee chairman exercises leadership of the committee on the basis of undivided authority:

acts without power of attorney in the name of the committee and represents it in all institutions and organizations;

upon recommendation of the chiefs of administration of cities (except rayon-subordinate cities) and rayons (except rayons-in-city), appoints the heads of city and rayon committees for property management in the event the authority of his territorial agency is delegated to these committees;

issues orders which are to be executed on a mandatory basis by all state enterprises, institutions, organizations, and organs of state government, as well as directives on questions of property within the framework of the committee's competence;

issues orders and directives in execution of directives of the Russian State Committee for Property Management, the chiefs of administration of kray or oblast, and decisions of the appropriate soviet of people's deputies;

determines the jurisdictional limits of his deputies;

appoints and discharges workers on the committee and its subdivisions, in accordance with labor legislation of the Russian Federation;

determines structure and staff composition with the limits of the approved estimate of the Russian State Committee for Property Management;

disposes of property and funds assigned to the committee, in accordance with existing legislation;

supervises the activities of services subordinate to him and approves the official instructions of the heads of services and committee specialists;

utilizes incentive measures with regard to committee workers and imposes penalties upon them, in accordance with existing legislation;

opens and terminates settlement and other accounts in banks, conducts operations with respect to these accounts, and signs financial documents;

ensures observance of financial and accounting discipline.

4.5. When necessary, a deliberative organ is established within the committee—a collegium. The composition of the collegium is determined by the chief of administration of kray or oblast.

5. COMMITTEE ASSETS

5.1. Assets of the committee comprise its fixed and working capital and financial resources which are assigned to its use by right of operational management and are reflected on its independent balance sheet.

The committee does not pay rent for premises located within its own kray, oblast, autonomous oblast, autonomous okrug, or city of Moscow or St. Petersburg, if it uses these premises for the accomplishment of its functions.

5.2. Financial activities of the committee are carried out in accordance with procedure as established by Russian Federation legislation.

6. COMMITTEE TERMINATION

6.1. Termination of the committee is effected according to procedure as established by existing legislation.

6.2. Deprivation of a committee's rights as territorial agency is effected by directive of the Russian State Committee for Property Management.

Moscow City Hall Views Preparations for Winter, Food Supplies

934C0240A Moscow NEZAVISIMAYA GAZETA
in Russian 24 Oct 92 p 6

[Article by Ivan Rodin, under the rubric "The Mayor's Office": "Moscow Is Generally Ready for Winter—But What Entrepreneurs Are Anxious About Is Licensing, Not Winter"]

[Text] The concluding phase of the campaign to import fruit and vegetables will likely come this weekend. The Moscow storage depots still have to lay in a certain quantity of potatoes, cabbage, and onions, but city authorities are demanding that they establish larger than

standard stocks of vegetables. The mayor of the city explained this by saying that almost the whole north-western region of Russia, including St. Petersburg, will possibly have some difficulties with supplying the population this winter. The import campaigns there have in fact failed, so the population from these areas will buy up vegetables in Moscow stores. Thus it is better to have additional reserves so that if necessary the Russian Government can transfer them to the unfortunate cities, Mr. Luzhkov emphasized. He also noted that fact that Moscow could have supplied itself with potatoes despite the poor harvest in traditional potato growing areas. The mayor is certain that Moscow should gradually change its orientation to the eastern regions of Russia.

After a good vacation in Miami Yuriy Luzhkov turned a purely informational report about how the first phase of the heating season is going in Moscow into a three-hour review of the sins of the capital's municipal services. He returned to the scandalous incident on Chaykovsky Street, when the Kievskiy Rayon Soviet tried to fix up the heating grids of one of the buildings. The Avangard Association, which they hired, could not handle the job and so 900 people had to experience the unpleasantness of freezing days and nights in mid-October. The city government called this incident to the attention of the capital procuracy.

The government has also taken an interest in the future of the manager of the Avangard Association, because this enterprise is engaged in renting certain buildings to foreigners and is not repairing others even though this is its direct obligation. To judge by everything, at the present time, when the process of preparation for winter is objectively concluding, the mayor is risking a reform of the city's municipal services, switching them to a commercial basis. The resistance of the corresponding officials, and above all the main one—Aleksandr Matrosov—will most likely lead to personnel changes in high positions or to some minor compromises with the nomenklatura, but hardly to a major compromise.

While the report on the heating season was turned into a problem debate, the problematic issue of licensing certain types of entrepreneurial activity in Moscow was handled as a simple report. The government of the capital did not see a "system" (this is the mayor's favorite word) in the documents submitted by the Licensing Chamber. In Mr. Luzhkov's opinion, permission to engage in certain types of commercial activity should only be given after qualifying examinations, while for others there should be notice by mail and concurrent collection of a monetary fee. All the rest should not have to receive any license at all. The mayor stressed the advantage and at the same time the danger of a licensing system: while it makes commercial activity orderly it may also create limitations on it. This should not happen, the mayor feels. According to certain information from reliable sources, entrepreneurs are pretty cool toward the proposed introduction of licenses, but they understand that overall it is a necessary evil. It is

known from the same sources that businessmen operating in the capital fear most of all the formation of sectorial licensing commissions, each of which will be able to obstruct private competitors in its own area.

Moscow Student Activists Call for Khasbulatov Meeting

934D0240B Moscow NEZAVISIMAYA GAZETA
in Russian 23 Oct 92 p 2

[Article by Ye. V.: "The Students Demand Khasbulatov"]

[Text] Activists of the Russian Youth Movement of Student Trade Unions are trying hard and stubbornly to get a meeting with Ruslan Khasbulatov, chairman of the Russian Supreme Soviet. But the meeting keeps being put off. In a press conference at MGTU they told journalists of their demands. It became clear that an increase in the student stipend is the most pressing issue. In addition, the student trade unions consider the questions of medical care with the 1993 transition to insurance medicine to be unresolved. By the statement of movement activists, the Russian Federation law on youth organizations remains a "piece of paper." The state's youth policy does not arouse optimism among the student trade unions of Russia and, in the words of their leader Vadim Potapov, if the Supreme Soviet does not respond to the demands of the students' trade union, student disturbances in Moscow are not precluded.

Deputy Prosecutor on Corruption in St Petersburg

934C0172A St. Petersburg SANKT
PETERBURGSKIYE VEDOMOSTI in Russian
14 Oct 92 p 3

[Interview with Deputy Prosecutor V.S. Moroz by Yu. Murashko: "While Defending the Interests of the Businessmen, Civil Servants Receive Considerable Income"; date and place not given]

[Text] Corruption in the state organs is no secret to anyone. Recently, as our newspaper reported, V. Yu. Tikhonov, former director of the Krasnoselskiy Rayon Public Catering Association, was arrested by agents of the St. Petersburg UMBR [Directorate of the Ministry of Security for Russia]. He and A. K. Karagaplov, who was arrested early this year by officials of Krasnoselskiy Rayon, were indicted for grand theft of state property, as well as for taking bribes and committing forgery. Many other instances of unlawful actions by state employees of various ranks are widely known as well.

"The processes of democratization and economic reform taking place in our state have not only stimulated private enterprise, they have also energized the unlawful actions of certain excessively 'enterprising' people. There is special danger of wrongdoing in connection with registration of organizations of entrepreneurs, granting them bank loans, and privatization of state property. The

merger of state and commercial structures is an aberration." With these words, St. Petersburg Prosecutor V.I. Yermenko began his speech at a recent conference on "A Rule-of-Law State Through Economic Reform."

Our newspaper turned to the topic of combatting corruption and protectionism in February 1992, and published an interview with V.S. Moroz, a senior aide to the Prosecutor. Quite a lot of time has passed, and new legal basis has appeared for combatting the unscrupulous civil servant—Boris Yeltsin's Ukase, "On the Struggle With Corruption in the State Service System." New facts which testify to its spread within the echelons of power of St. Petersburg have appeared as well. The other day we met again with V.S. Moroz and asked him to respond to a number of questions.

[Correspondent] Vladimir Savelevich, to what extent, in your analysis, has corruption spread among the organs of power?

[Moroz] To make a comparison with just the beginning of the year, we have been following a tendency toward "legalization" of bribe-taking. One might say that concealing its nature has been made a matter of secondary importance. Today we are actively working to disclose cases of merging positions in the state apparatus and the commercial structure. It is understandable that, if a civil servant occupies any kind of post in an MP [small enterprise], SP [joint venture] and the like, that they will lobby for the interests of these commercial structures.

Let's say the chairman of the Standing Commission on Industry, TNP [Consumer Goods] and New Forms of Commercial Activity at the Kolpinskiy Rayon Soviet, V.P. Kireyev, is at the same time director of a branch of the Sadko Shopping Center. It was established that Kireyev facilitated the registration of his firm, and granted Sadko a 360 square-meter facility without concluding a rental agreement or payment of rent.

On the whole, if one speaks of certain people who have found jobs in the state apparatus, one gets the impression that they think of their position only as a way to get rich. Moreover, they think of it as a position which they can leave at any time. And therefore, many of them do not hesitate to use all possible means for personal enrichment. And the status of People's Deputy is often looked upon as simply a stepping-stone in the public hierarchy, forgetting that a deputyship is an obligation, and not an opportunity.

A.T. Nadezhnikov, chief of the Petrogradskiy Rayon Inspectorate of GUI and a deputy of the Petrogradskiy Rayon Soviet, concluded unlawful rental agreements on nonresidential properties and subsequently purchased them, buying and selling from MGP [small state enterprise] the firms Polyus and Veneda. In suits brought by the St. Petersburg prosecutor's office, the court ruled the agreements invalid.

[Correspondent] And were those who were accused of concluding these agreements brought to justice?

[Moroz] Not yet. And on the whole the existing legislation on the struggle with corruption has not yet been enacted. The presidential Ukase alone, in the view of my colleagues, cannot serve as sufficient grounds for waging an active struggle with bribe-taking and protectionism. The concept of the civil servant remains undefined. You will agree that it is absurd to combat corruption in a civil service system which does not know to which structure this civil service pertains. For example, can one consider an employee of a television station or the post office a civil servant?

The adoption of the Law of the Russian Federation "On the Struggle with Corruption" is being delayed. We recently received a draft. After examination, the opinion of prosecutor officials was unanimous—the draft needs fundamental modification: while things are forbidden, there are no sanctions for violators, and the border is not clearly drawn between bribery and remuneration. Even so, city and regional prosecutors, guided by the amorphous legislation which exists, have disclosed a sufficient number of instances of combining the posts of a representative of legislative and executive authority (which is in fact clearly the state apparatus!) with work (or so-called work) in commercial structures.

For example, it was learned that A.N. Samsonov, chairman of the Pushkinskiy Rayon Soviet, and T.I. Turkin, chairmen of the Aleksandrovskiy Community Council [possovet], are founders of the Korpus Joint Stock Co; I.Yu. Zabrodin, deputy chairman of the Petrogradskiy Rayon Soviet was one of the founders of the "Sator" TOO; Ye. M. Ozerov and his deputy O.A. Titov are director and deputy director of the "Inter-biznes" MP while "moonlighting" as chairmen of the Standing Commission on Economic Policy, and Entrepreneurial Activity, respectively, of the Dzerzhinskiy Rayon Soviet. Chairman of the Standing Commission on Glasnost at the Moskovskiy Rayon Soviet A.V. Tsekhanovich was also chairman of the board of the Epitsentr MP.

It was suggested to all of the above-mentioned persons that they vacate one of the positions which they occupy, in connection with violations of the Ukase "On the Struggle With Corruption in the State Service System," the Russian Federation Law "On Competition and Restriction of Monopolistic Activity in Commodity Markets," and "On Local Self-Government in the RSFSR." They preferred to retain their seats in the commercial structures.

[Correspondent] In this case will not some supervisors be able to continue to maintain their interests in "their own" firms in their own organs of power?

[Moroz] I certainly do not think that this could never happen. The moreso, since the matter is not limited to offering civil servants high positions in commercial structures. Other ways are possible which are much harder to expose, and which are still extremely hard to combat. For example, any person may purchase shares in

some kind of firm and receive dividends from them. It is another question whether these shares were purchased, or whether they were "presented" for "special services."

[Correspondent] Vladimir Savelevich, are there cases in which persons who violated the law and received a warning from the prosecutors preferred to remain in state service?

[Moroz] By their own free will—no. But one of the reasons for the departure of A.N. Firsov, head of the Kuybyshev Regional Administration, was the fact that he had combined his post with membership in the director's council of the joint enterprise "Nevskiy RITs". For combining the post of assistant to the head of administration of Vyborgskiy Rayon with his chair as director of the InfroSEP MGP, M.Ye. Ornatskiy was relieved (osvobozhden); while V.I. Malyshev, head of the Moskovskiy Rayon Administration was brought to administrative liability.

All these and other facts (we can cite several persons relieved of their duties as head of administration) lead to the conclusion that the cadre policy conducted by the legislative and executive authorities is fraught with shortcomings. It is as if people are selected not by virtue of their objective merits, but on considerations of their personal devotion.

[Correspondent] Do you see any ways for correcting the situation?

[Moroz] Corruption is an inevitable fact of any kind of state, whether it is a totalitarian or democratic one. As they say, they used to take, they are taking and they will be taking. Therefore one of the tasks of a state is to create a system in which corruption can grow as little as possible.

I see the following ways of achieving this. First of all, it is necessary to provide maximum incentive for the civil servant. And not only to provide him a high salary. A civil servant must be placed in conditions in which the prestige of the work and his social status do not permit him to misuse his official position. Secondly, the legislation must be completed, and made final. Can you remember? In recent years, have there been any major cases accusing representatives of the highest echelons of power of corruption, such as the "Churbanov Case"? One might think that "up there" everyone observes the laws completely; but I for one tend toward a different opinion...

Of course, one would like to hope that in Moscow they would grasp the fact that it is impossible to conduct economic reforms without a state policy to combat corruption. Things have already gotten to the point that bribery has penetrated the law-enforcement organs. Investigators of the St. Petersburg Prosecutor's Office are presently working on criminal cases in which investigators of the Nevskiy and Primorskiy RUVD [Regional Internal Affairs Administration] are accused of taking bribes for not bringing persons to justice.

There are also cases of abetting criminal activity on the part of employees of the St. Petersburg UMBR.

[Correspondent] If you can say so, what does such "abetting" usually consist of?

[Moroz] Merger of commercial structures with the law-enforcement organs quite often takes place on the basis of personal acquaintance. Mostly this involves consultations on specific facts, in order that the law-violator might escape liability. Specific details are being disclosed on the operational work, the practice of conducting the investigation, and so on.

[Correspondent] I would like to know whether the prosecutor's office has received such "proposals on cooperation"?

[Moroz] Quite a few—surreptitiously. Such that, if the prosecutor's office wished, we could have our own fleet of automobiles, our own personal computers in every office, and the most sophisticated kinds of other equipment. All that would be required is to defend the interests of certain major firms. But, as you can see, we do not have any computers.

There are also attempts to put pressure on prosecution officials. As soon as we make public incidents of exposure of corruption of another civil servant, the telephone starts to ring. Various chiefs, and I will not tell you their names, express their negative attitude—to put it mildly, make demands, and let us know that next time we should notify them and not make public the facts which we disclose.

However, the prosecutor's office has another position. In spite of all the loopholes in the law, in spite of all the attempts to accommodate us, no matter what the source, the struggle with legal and illegal corruption goes on. And we shall be obliged to report the results to the public.

The Ukase of the President of the Russian Federation, "On Measures for Protecting the Rights of the Citizens, Preservation of Law and Order, and Intensifying the Battle with Crime" was recently published. An Interdepartmental Commission on Combatting Crime and Corruption is being established at the Security Council [Sovet Bezopasnosti] of the Russian Federation.

"One would like to think that the creation of the commission—and this is not routine political step—is not merely aimed at soothing public opinion, but that the commission will become an organ that will indeed formulate an anti-corruption policy for the state," said V.S. Moroz.

New Status, Role in World Events Pondered

934C0204A Moscow LITERATURNAYA GAZETA
in Russian No 44, 28 Oct 92 pp 2, 11

[Article by Yevgeniy Ambartsumov, chairman of the Committee for International Affairs of the Russian Federation Supreme Soviet: "Russia as a Great Power: From Megalomania to Common Sense"]

[Text] Barely pausing for breath in the maelstrom of increasingly new upheavals, we are turning with nostalgia to the recent past. And although forgetting about the devastation caused by the Lenin-Stalin totalitarian dictatorship is impermissible, it is important not to lose that which was positive which was accumulated in interethnic relations both within the framework of the old Russian Empire and in the 70-plus communist years.

In all national republics, and frequently in the democratic West also, blame for all the crimes of Soviet totalitarianism is automatically being shifted onto the Russian people, their unjustifiably being transferred to the category of dominant people in the empire. But it was the Russian people who were suppressed by party-state totalitarianism longer than the other peoples of the USSR. In addition, the Soviet empire was not a national but an ideological empire, which waged total war in order to eradicate in all its subject peoples the sense of national identity.

True, the system succeeded in making the Russian people the nucleus of this empire, but this cost them not only millions of casualties but also the loss of their traditional values. Whole seams of history and culture which did not fit into the ideologized utopian schemes were ruthlessly eradicated.

We all continue to be reproached for the fact that at a time when the whole world, particularly the West European countries, is uniting, we, on the contrary, are running away from one another. Granted that these rebukes are reasonable, they are not free of a deliberate or unconscious disregard for the unnatural factors which kept the USSR entire, thereby building up a charge of disintegration explosions. As distinct from us, the West European countries began the process of unification on a voluntary basis, not forcing it. And even with largely common spiritual and cultural sources and more or less equal levels of social and technological development, this process has, for all that, dragged on for decades. Difficulties of further advance along this path persist here even in the European Community. The negative results of the referendum in Denmark and the negligible preponderance of the vote in France on the Maastricht agreements on a united Europe stunned the European and world community. At a recent European conference in London British Prime Minister John Major, reflecting on the obstacles which have suddenly been revealed at the top of the spiral of the integration process in West Europe, distinguished three factors which had not been taken sufficiently into consideration. These are national interests, national identity, and national pride. Terms, which astonished me, from the mouth of a conservative Western politician. But since the enumerated factors are still playing such an important part even in West Europe, where integration began in an initially favorable climate, there is nothing surprising in these same factors requiring extraordinary care, delicacy, and mutual respect in our relations.

We should be realists here and refrain from the formulation of rash tasks pertaining to the all-around coordination of our actions. We may fairly take umbrage at the anti-Russian mood in this republic or the other, but it cannot be denied that the policy of the communist center was all too often equated in the minds of the local peoples with Russia and Russians.

The disappointed hopes placed in this body of the CIS or the other which it has simply been impossible to launch or even form are natural. It is far easier to break down than build from scratch—this lesson of common sense is proving to be an increasingly vital rebuke of the Belovezha dare-devils. And, as can be seen from the results of the interrepublic meetings in Bishkek, something akin to the mechanism of a confederation, transition to which was so imprudently rejected by Gorbachev, who thereby put an end to his presidential career, is emerging.

It is obvious that in the original, broad sense the CIS has no future: Azerbaijan and Moldavia have left it, Turkmenia and Ukraine are cool toward it. Neither the Baltic republics nor Georgia, the latter at this turn of history, in any event, will join the CIS. We could speak of a commonwealth with a changing geometry and its narrower nucleus—of five or six republics. But it is important here that certain republics which had moved away from Russia are themselves drawing closer to it, without any pressure on its part. For this reason it is to them that most-favored-nation treatment in the broad sense needs to be applied.

It is necessary to reconcile ourselves to the fact that whereas in some spheres, military and financial-economic, say, we are managing to coordinate our states' actions to a large extent, in the foreign policy sphere each CIS country is as yet attempting to make its way in the world community predominantly by itself. Granted all due respect for such most important international institutions as the United Nations and the CSCE, of which the former republics of the Union were members, it has to be noted that the numerous conflicts and contradictions, new or inherited from the old Union, can hardly be resolved by these organizations in the foreseeable future (considering also their procedural and financial limitations). We heirs of the Union are evidently condemned, without isolating ourselves from the international community, of course, to attempt to find a solution to the painful problems together, by our own powers.

A political vacuum has come about south of the Russian Federation's European borders. And inasmuch as nature abhors a vacuum, other forces are trying to fill it. The notion of the Islamic factor, which, in my view, is being imprudently stimulated by such Western states as the United States and Britain, the latter in accordance with its imperial traditions, is disturbing in this connection. The latter are expressed even more clearly with Germany.

The allergy of the Russian people and the Russian Army to interference in non-Russian conflicts is understandable, of course—too many young lives have been lost, and there have been too many undeserved insults and humiliations. But in thinking about the future of Russia is it permissible to ignore the possibility of the appearance on its borders of hostile or disintegrating forces?

During the recent visit of a Russian parliamentary delegation our partners in Greece and on Cyprus expressed astonishment as to why Russia was adopting so unruffled an attitude toward the activation of pan-Turkic forces and asked whether we were aware of the possibility of historical revanche in respect to Russia?

Speaking at a conference of Russian and American international affairs specialists in Moscow, meanwhile, Dr. Kissinger made it understood that if Russia intervened in conflicts beyond its borders, but on the former territory of the USSR, this would be rejected by the world community (read: the United States). And what if it is a question of the defense of the rights of the individual and national minorities, which in the modern understanding takes precedence over the principles of state sovereignty and noninterference in internal affairs, on which Bolshevik governments invariably relied in their despotic policy and to which seemingly democratic politicians and journalists are now curiously appealing.

I refer, of course, to the Georgian-Abkhaz conflict, in which the ill-informed West is taking the side of Georgia and Shevardnadze. While understanding full well the past and future role of Georgia as a country close to Russia, I would note that we are not talking about a choice between Dudayev and Shevardnadze but about justice and sympathy with those who have been subjected to military attack; not about the restoration of the Soviet Empire—history cannot be turned back—but about the self-respect of a normal great power capable of standing up for its interests and preventing the spread of military conflicts on its borders.

A symmetrical approach is unacceptable here. We have already suffered from it considerably, when we transferred to antagonistic republics equal piles of weapons, which are now being rained down on ourselves. But can we adopt an equally benevolent attitude toward those who appreciate Russia's role and those who are flouting the rights of Russians and even sentencing to death Russian servicemen doing their duty?

Of course, regulating the status of our forces outside of the Russian Federation is essential. A linkup with the United Nations and the corresponding assignments on its part, since the latter has recognized Russia as the successor of the USSR, would be desirable.

There is no way we can avoid an active role in geopolitically important regions. Otherwise a further loss of face and growing external and, yes, internal difficulties would await Russia. By not abandoning the defense of the civil and national rights of its compatriots it will strengthen respect for itself in the world.

Russia's Position, Role in Eurasia Pondered

934C0206A Moscow *NOVOYE VREMYA* in Russian
No 40, Oct 92 pp 10-12

[Article by Nikolay Petrov and Andrey Treyvish: "Praise Be to Isolationism"]

[Text] "Whoever controls East Europe controls the Heartland. Whoever controls the Heartland controls the World Island. Whoever controls the World Island controls the entire world." This is one of the versions of Mackinder's celebrated geopolitical scheme published back in 1919. Mackinder's Heartland was the meeting place of Europe and Asia, that is, what now is for all practical purposes Russia. He called Eurasia and Africa the World Island. Elements of this scheme are being used even now in political constructs. Having been subjected to intricate refinement, these constructs are called upon to give politicians the tool of a knowledge of how a country's foreign policy can reap gains or offset the minuses of its geographic position.

More Pluses Than Minuses

In functional terms, Russia is no longer a great power. Cast back, as it were, to the level of the end of the 18th century in the size of its area and to the very outset of the 20th century in population, Russia remains the first country in area and sixth by population (after China, India, the United States, Indonesia, and Brazil). Its economic potential is comparable to the potential of Germany, although it falls far behind the United States and Japan. Russia's greatness is indisputable and, as they say, inescapable, in history and culture as well.

As for real politics, if Russia figures as a great power in this realm, it is not because it is controlling the world's destinies, but because the events taking place in it are having an essential impact on the makeup of the entire world. Russia, once the geopolitical extrovert engrossed in designing and redesigning the outside world, has become a geopolitical introvert and the character and magnitude of the internal problems it faces leave no doubt whatsoever that the metamorphosis taking place is not for the short term.

Russia's three external geopolitical shells have disappeared.

The outermost one, which was extremely uneven and unstable, included both the developing countries which were under Soviet influence and also the communist countries (China, Cuba, and Yugoslavia) most distant from the USSR (geographically and politically), as well as Finland, the "easternmost" of the countries of the West, which cooperated closely with the USSR.

Then the band of satellite neighbors, the former socialist countries.

The band of union republics that were within the USSR, most of whose territories were even part of the tsarist empire.

What changes has Russia's geographic position undergone compared to that of the USSR? Let us try to divide them into negatives "disadvantageous" to Russia and positives "advantageous," entirely mindful how provisional assessments of this kind are.

The negative changes include remoteness from Europe, the loss of important seaports, granaries, and resort areas. Russia is becoming a still more northern and continental country; it is beginning to move, as it were, into a remote corner of Eurasia.

The specialization in capital-intensive raw materials and defense sectors—with a shortage of consumer goods, inherent in the USSR, is intensifying. The well-organized development and defense of some of the boundaries is being lost, and usually the new boundaries lack natural barriers. There is now an exclave—Kaliningrad Oblast—separated from Russia by Belarus and Lithuania. Instead of the system of "protective shells," zones of tension have formed on Russia's borders. Ethnoterritorial conflicts in these hot zones are penetrating Russia through its border, which at present is for all practical purposes open. New concerns have arisen: about Russian minorities in nearby foreign countries, about refugees, about armed forces withdrawn back into Russia.

The loss of the Cold War, the disintegration of the Union, and the loss of the status of a superpower are a blow to national vanity, and they heat up revanchist attitudes, not to mention the economic loss from the severing of traditional ties.

But while down through its history Russia has won quite a few military victories which on subsequent examination proved to be Pyrrhic, its defeat in the Cold War is not only indisputable, it also affords it a unique chance to change its relations with the world. Specifically, the threat of a military collision with the West is less than it ever has been.

It is after all a favorable fact that Russia has preserved its outlet to all seas reaching the shores of the USSR and contact with all its neighbors from among the developing countries (United States, Japan, Finland, and Norway), which means that it has also preserved the role of a Eurasian transit bridge. But a large loss of "Europeanism" is also evident. The total number of neighbors has remained the same, and the share of European neighbors has even increased by virtue of the republics of the former USSR. In Russia itself, the European part accounts for one-fourth of the area and 70 percent of the population, as against 65 in the USSR—the existence of Central Asia made a difference.

Discussions about "losses" are not very appropriate at all. After all, the Union did not belong to Russia alone, and Russia was involved in its downfall. While it is losing much, as are the other republics, it is also gaining quite a bit. For example, independence, of which in the USSR it had less than the others. Is not this what patriots were grieving over quite recently? And is it not clear that

the "loss" of the less developed parts of the USSR relieves the more advanced parts of a number of burdensome concerns?

The bulk of the Union's economic and potential foreign exchange pie, strategic resources, sophisticated technologies, and the main intellectual forces have fallen to Russia.

The openness of the land borders can be looked at in different ways. Conditions for defense are not as good, but in the missile era this is not as important as before. The absence of natural barriers, on the other hand, facilitates transportation connections with old partners, which they are all objectively in need of at the present time.

The main danger does not lie in authentic or fictitious losses, but rather arises from the inner workings of Russia itself, from the inability or reluctance to take advantage of the new benefits. And this is dangerous not only for the external environment, but above all to Russia. The entire course of events depends largely on its domestic and foreign policy, on the way it treats its own national interests, on its methods of protecting them. To be specific, the behavior and role of the Russophone diaspora in nearby and remote foreign countries are closely bound up with continuation of Russian reforms or their curtailment, with the successes and failures of the treaty process.

Atlantists and Eurasists

A great number of fundamental schemes of Russia's development—geopolitical scenarios—have been proposed. They range between two extreme variants.

The "super-Atlantic" scheme presupposes maximum integration with the West, especially in its opposition to the Islamic world and the south (the less developed countries) in general. Models like this originated at the time of the USSR's support to the taming of Iraq. There was talk about something like a large NATO that would encompass the northern hemisphere from Vancouver to Vladivostok. Many saw inclusion of all the republics of the former Union in the Conference on Security and Cooperation in Europe as the beginning of that scheme's realization. But enthusiasm quickly died. Military-political coalitions are good when there is a terrible common enemy, but there is no economic base to support the idea of "super-Atlantism."

Russia's first collisions with the United States on the market for arms and space technology in the countries of the Third World settled the dust of the geopolitical experts on both sides. Nevertheless, this scheme cannot be altogether discarded, because it is not possible to preclude the possibility of an abrupt exacerbation of global "north-south" conflicts, in which the position of Russia and other major countries of the CIS will be very important. Of course, preservation of at least moderate pro-Western orientation in Russian policy is essential to that backup variant. Should it be renounced in favor of

national patriotism and vulgarized Eurasianism, this will become absolutely unrealistic. The "imperial Eurasian" system is in essence outright revanchist. While it is an organic part of the programs of the Russian extreme right, it contains nothing new from either the geographic or political standpoint. The geographic context is to "restore" first the Union, then the renegade friends from the socialist camp, and then stretch freely once again from the Elbe to the Mekong.

The restoration would have to be done by force, which means that first a strong Russia is needed, ruled by a firm hand. While its "gleaming" end result is enticing, this scheme skirts the question of what this will cost Russia. It is not difficult to get an idea. First, victims at home of a new totalitarianism. Second, total civil war after the pattern of Yugoslavia, but on a far larger scale.

In case of failure—a new isolation and boycott of Russia, the emergence of buffer cordons, for example, from the Baltic to the Black Sea (once purely hypothetical, in this course of events it would quickly become real). And in case of a bloody victory—a third world war. Though the chances are far better of its getting stuck in one of the early stages.

Quite a few transitional and compromise schemes, combining elements of schemes which are different in their principles, are located between these extreme models. We will describe just one of them, which we will call the "Eurasian anti-imperial" scheme.

As is well-known, the Union's disintegration did not do away with Eurasia and did not eliminate Russia's unique transitional position on this continent. What is more, it is obvious that for a "land-based" country with a large number of neighbors, whose historic destinies are closely intertwined with ours, nearby foreign countries always play the paramount role. There is really no way we can get away from one another. But this does not mean that we are condemned to live in a union, in a commonwealth, or together in some closed company. Multilateral integration may in fact not be achieved. We will be ready for that, especially because Russia itself would like to get out of the CIS (which would destroy it once and for all). We will also be ready for the participation of our partners in all kinds of other associations, European and Asian. Incidentally, these need not always necessarily be associations of countries. Why not of regions? Is it so difficult to imagine integration of southeastern Kazakhstan with neighboring regions of China and of the northwest with our own Urals and Volga region? After all, even in Russia Sakhalin and Kaliningrad are clearly oriented toward different external partners....

Incidentally, one of the main reasons for the perishability of empires is precisely the undemanding economic relations between the parent country and the colonies, which are too convenient for one another. So is it necessary to revive the mutual benefits in the relations of the CIS countries?

Russia has an interest in the maximum possible competition among European, U.S., and Japanese capital and technologies on its territory. That is what would make it possible for us to fully realize the benefits of our geopolitical position between these most important world centers.

A Family Without an Older Brother

The idea that Russia is the sole successor to the Soviet Union and Russian Empire is hopelessly outdated. Expansionist ambitions, which assign virtually the entire world to the sphere of Russia's vital interests, are also without basis. What this specifically means is that the strategic naval forces of the USSR are a burden Russia cannot afford and largely does not need. What is more, in nonimperial Russia there are no longer the functions and duties of the eldest in the family: Orthodox, Slavic, Socialist, which, to tell the truth, were rather illusory.

The sudden exacerbation of the situation right on Russia's borders and in the immediate vicinity of them diminishes the acuteness of Russia's particular interests even in the Balkans, which are kindred in religion and nationality, in the Transcaucasus, and in Central Asia. Closer areas are now taking their place: Russia now has its "own" Balkans as represented by Moldova with the Dniester Republic and Gagauzia, its own Caucasus in the north and the mountains, and its own internal Islamic fundamentalism.

There is no bad without some good. Even while parting company from its sisters—the former union republics—Russia has to some extent diminished the acuteness for itself of the Moldavian, Armenian-Azerbaijani, Georgian, and Central Asian nexuses of problems and territorial disputes that were tearing apart the USSR before it disintegrated.

At the same time, Russia has been deprived of many thousands of kilometers of properly fixed and equipped state borders reinforced by international treaties. The speediest conclusion of peace treaties and border treaties, then, should be a chief priority in Russian foreign policy. Here it is better to renounce territorial claims and threats if not on the basis of high principle, then at least out of an elementary sense of self-preservation.

When the USSR disintegrated, there was concern about 25 million Russians and three million members of other ethnic groups in Russia who are outside its borders. What is more, about all the 43.5 million "Russophones" in other republics.

For every individual forced to move, wherever he came from and wherever he is going, the loss of a homeland is a deeply felt tragedy. Large-scale movements of people always inflict socioeconomic damage on the state even under normal conditions.

The only way out is to do everything to restrain the ethnic migration that has already begun and which in Russia has involved nearly a million people. This can be

done by concluding appropriate treaties with mutual obligations of the parties concerning ethnic minorities and by tightening provisions concerning violations of human rights.

It seems to us that resolving the extremely complicated interethnic contradictions in the space of the former USSR lies more in the plane of cultural autonomy than regional autonomy. The calls for recognition of national autonomies in neighboring republics that have declared themselves independent (even if their ultimate aim is to become a part of Russia) have to be called a provocation. What is more, ethnic separatism is not advantageous to the minorities themselves, because it inevitably results in a great deal of bloodshed.

West Criticized for Not Defending Russian Rights in Baltic

934C0186A Moscow ROSSIYSKAYA GAZETA
in Russian 27 Oct 92 p 7

[Article by Vacheslav Yelagin, adviser, Press and Information Department, RF Ministry of Internal Affairs: "Voices From the West in Defense of Russians in the Baltic States Can Barely Be Heard: What People in Europe and America Are Thinking About Violations of Human Rights in Estonia and Latvia"]

[Text] At last talk has begun in Europe about the unenviable position of Russians in the Baltic states.

The issue of human rights violations in Baltic countries attracted the attention of participants at the Helsinki summit meeting of the Conference on Security and Cooperation in Europe (CSCE) as well as at the Budapest session of the CSCE parliamentary assembly and other international forums.

Indicative of the situation in this respect is a declaration by G. Entts, head of Hungary's department for the affairs of national minorities living abroad. The government of Hungary, he noted, cannot agree with European legal norms sanctioning the deprivation of the rights of individuals and national minorities in the Baltic states. Official circles in Denmark are giving assurances that they intend to exert diplomatic pressure upon the new leadership in Estonia to get them to comply with the legal protections generally accepted in the civilized world. Parliamentary bodies and public organizations in a number of European countries have begun to speak out from time to time on behalf of the nonindigenous populations. Recently, moreover, the Council of Europe in Strasbourg decided not to expedite the acceptance of Latvia and Estonia into this organization because of human rights violations in these countries. Many foreign analysts and political scientists, assessing the September elections in Estonia, emphasized that in Tallinn "they have settled scores with the Russian population and through the legal system assured the existence of second-rate citizens in Estonia."

In general, however, the voices raised by the international community in defense of national minorities in the Baltics have been extremely weak.

Regrettably, until this time not a single international legal document has been submitted by any institution, including the CSCE, condemning discriminatory practices in Riga and Tallinn. Is this not because authorities, for example in Estonia, have for a long time refused representatives of the international bodies entry into their country? Special representatives of the CSCE Warsaw Bureau for the Protection of Human Rights, for example, twice tried to obtain visas for a trip to Tallinn but were denied entry.

The truth is that official circles of Western countries have been extremely restrained in reacting to the shunting aside of Russians from participation in the political life of the Baltic states. Certain of them—Sweden and France, for example—have deliberately tried to ignore this problem.

Even the attitude taken by the United States is puzzling: for only yesterday it was the stronghold of the struggle for human rights in the former Soviet Union. Today, however, Washington for some reason is inclined to look upon the relations between Russia and the Baltic republics from a two-dimensional standpoint, ignoring the legal dimension. Such a point of view is very strange indeed—to condemn and punish one state, while oblivious of the illegal activities of the others.

But what could be done to lessen—if not put an end to—the anti-Russian campaign in the Baltics? I think that Baltic states could be constrained to comply with European legal standards with respect to civil and voting rights by concerted, collective action on the part of the European community—which, for example, is entitled to place conditions upon the acceptance of the Baltic states into the various international organizations. But is it willing to undertake such action?

Russian diplomacy has not played its last card in this effort.

POSTSCRIPT: The appeal to the United Nations and the CSCE regarding violations of the rights of Russian-speaking peoples in Latvia and Estonia is, of course, justified. We should like to point out, however, that this is not the sole means of protecting the rights of our compatriots in the Baltic countries. A good deal can be done, and indeed should be done, by the Russian Ministry of Foreign Affairs. True, it should not be construed as direct economic pressure. This is unacceptable both from the standpoint of the principles of civilized relations and by virtue of the fact that economic sanctions impact primarily upon major industrial enterprises, closely associated with the economy of Russia, in which most of the Russian-speaking population work.

In addition, the native population would be put in the position of being aggrieved, thereby putting more cards in

the hand of the right-wing radicals. Therefore a cautious, differentiated approach is essential.

The main thing, in our view, is to give maximum exposure to the violations of human rights in these countries, comparing the rights of the national minorities in the Baltic countries with those in Russia. In this regard it is incumbent upon the Russian Ministry of Foreign Affairs not only to appeal to international public opinion; it should also not forget to use resources of its own.

[Signed] Vladimir Kuznechevskiy and Yuri Stroganov

U.S.-Russian Conference on Russian National Interests

93P50017A Moscow NEZAVISIMAYA GAZETA
in Russian 13 Oct 92 p 1

[T. T. report "Briefly": "They Pondered Russia's National Interests"]

[Text] On Saturday and Sunday [7 and 8 October] a conference on the "National Interests of Russia" was held in Moscow under the chairmanship of Henry Kissinger and Vladimir Lukin. The conference was organized by the Center for Strategic and International Studies (Washington) and the Center for National Security and International Relations (Moscow). Besides the cochairmen, the following spoke at the conference: F. Fukuyama, P. Wolfowitz, P. Goble, A. Aslund, S. Rogov, S. Stankevich, N. Travkin, and A. Shokhin. On the Russian side, leaders of the opposition also participated in the conference.

Some of the reports were given by their authors to NEZAVISIMAYA GAZETA for publication.

Plans of German-Russian Commission on Ethnic Germans Assessed

934C0210B Moscow NEZAVISIMAYA GAZETA
in Russian 22 Oct 92 p 3

[Article by Natalya Pachegina: "Marks Will Make Many Happy, but Not the Russian Germans"]

[Text] The press conference held at the President Hotel to discuss the results of the second meeting of the German-Russian Inter-Governmental Commission on Affairs of Russian Germans left no illusions in this regard. The principles, from the Russian side the ex-minister of the Russian Federation Goskomnats [State Committee for Nationalities Issues], Valeriy Tishkov, and from Germany—the federal government official on affairs of resettlement, state secretary under the Federal Ministry of Domestic Affairs Horst Waffenschmidt, yielded the microphone to each other only to convince each other of the obvious: Foreign investments into the economy of regions of presumed settlement of Russian Germans will introduce a certain variation primarily into the everyday life of the residents of Volgograd, Saratov, and Omsk Oblasts and Altay Kray. The German

Federal Ministry of Internal Affairs has allocated 125 million marks for 1992-1993 for general humanitarian aid to the population through food and medical supplies (8.4 million marks), supply of farm equipment and quality sowing material (15 million), and massive housing construction, including for facilities of the social infrastructure. The generosity of the German side, which is seriously concerned by the "revelry" of the domestic bureaucracy, at the same time testifies also to an unwilling acknowledgement of the fact that under Russian conditions the "gloomy German genius" has lost its enterprising nature. Thus, the "western" Germans are promising to develop and equip enterprises for processing agricultural products: Bread bakeries, meat combines, cheese-making plants, butter extraction enterprises and grain mills. They are also assuming the task of organizing in-service training of farmers from among the Russian Germans on German farms, allocating 3.5 million marks for this purpose. In the opinion of State Secretary Waffenschmidt, the stable trait of a "permanent way of life" will be facilitated also by the program of the German-Russian commission for creating jobs in the regions of compact German settlement. These goals will be served also by the sanitation ceramics plant in Engels, the kindergartens, outpatient-obstetrical clinics and centers for professional training in Saratov, Volgograd, and Tomsk Oblasts, and in the German national regions in Galbshadt (Altay Kray), Azov (Omsk Oblast), and Prizhip (Bashkortostan).

In short, prosperity awaits Russians of German blood, as well as other Russian citizens living on the territory of the former republic of the Volga Germans. And although the "western" members of the commission have paid tribute to the idea of restoring German statehood, having diplomatically expressed it in their words about the need for acknowledging the fact of deportation of Russian Germans, their efforts show much more concern for their own citizens. The quota for entry into Germany by Germans from Russia is, as before, limited to 25,000 persons a year, Waffenschmidt emphasized.

Just as pessimistically, RF Goskomnats ex-minister Tishkov noted that "statehood in our country at least somehow guarantees national self-sufficiency." And those five million rubles (R) which the Russian Federation government is allocating for the creation of national rayons in Russia do not solve the problem of the German-Russians. The leader of the German movement "Wiedergeburt," Heinrich Grout, announced to our NEZAVISIMAYA GAZETA correspondent that "all projects of this German-Russian commission in essence bury the idea of re-creation of a republic of Volga Germans." "But the Germans from Wiedergeburt," he said, "will be the last to leave Russia, no matter how sad the bravura marches about future prosperity may sound to us."

Russia Aspires To Join Convention, Protocol on Refugees*934C0248C Moscow NEZAVISIMAYA GAZETA in Russian 28 Oct 92 p 2*

[Unattributed RIA report: "Russia Will Join the Convention"]

[Text] The president of the RF [Russian Federation] Boris Yeltsin confirmed the wisdom of "developing the contacts with the Administration of the U. N. Supreme Commissioner on Refugee Affairs which have been established in recent years." In a message addressed to the chairman of the RF Supreme Soviet presented at the meeting of the parliament's presidium, the president reminded them that "relations of this universal international organization with participating states are built on the foundation of the Convention on the Status of Refugees and the Protocol on the Status of Refugees which our country did not join earlier for unfounded ideological reasons."

The decision was made to submit the question of Russia's joining the Convention and the Protocol to the parliament for review.

Germany's Social Democrats Meet With Russian Counterparts*934C0248B Moscow NEZAVISIMAYA GAZETA in Russian 24 Oct 92 p 2*

[Report by Ye. T. under the rubric "In Brief": "The Social Democrats Are Great Optimists"]

[Text] Architects who are supporters of the Social Democratic Party of Germany from Aachen (near Cologne) were taking an educational tour of Russia and met with representatives of the Social Democratic Party of Russia [SDPR] yesterday. SDPR chairman Boris Orlov complained to the guests that there are only five Social Democrats in Russia's parliament and so they will have to seek the support of independent trade unions very soon. "In addition, the fact that you have come to see us is also great moral support," Orlov thanked the architects.

At its last congress the Socialist International rejected the SDPR's request to join and merely granted it the status of "permanent guest." At the next congress we will try again, the leader of the SD's announced and added: the Social Democratic Party is a party of hope.

In sharing her impressions on the meeting, a sympathetic German Social Democrat said to the NG [NEZAVISIMAYA GAZETA] correspondent: "The main thing is that there are great optimists in the SDPR."

Release of 'Secret Protocols' to Molotov-Ribbentrop Pact Viewed*934C0248A Moscow IZVESTIYA in Russian 31 Oct 92 Morning Edition pp 1, 2*

[Article by Otto Latsis: "The Authentic Protocols of a Shameful Agreement Eliminate Old Questions and Raise New Ones"]

[Text] What was understood by knowing politicians 53 years ago and has long been beyond doubt among sensible people has nonetheless become a sensation: the original copies of the secret protocols to the "Molotov-Ribbentrop Pact" have been found. The Ostankino Television Company reported this with a reference to historian Dmitriy Volkogonov, advisor to the president of Russia who is engaged in reviewing the documents in the CPSU Central Committee archives.

Everyone remembers how back in 1989 the "patriots" rejected the draft decree proposed by A. N. Yakovlev's commission on the first ballot: even after 50 years most deputies did not dare to give a proper evaluation to the criminals' agreement which was canceled by life on 22 June 1941. Only on the second attempt was the congress prevailed upon to acknowledge what was confirmed by the entire logic of the actions of Stalin and Hitler in those long-past years. But even after that, until most recent days the "patriotic" press and the "front-line" politicians have used the lack of original copies to deny the unquestionable and heap blame on A. Yakovlev and other reformers for the fact that the peoples of the Baltic Region did not want to trust the "friendship of peoples" in the Stalinist version.

It would seem that this controversy has come to an end, but new questions are arising. I remember very well how in 1988 at a meeting with historians A. N. Yakovlev in response to a question about these documents answered: everyone dug around in the archives but only copies of copies could be found. Of course Molotov managed to destroy documents that compromised him before he left his high posts. The copies found leave no doubt as to content and coincide with those the West has (also copies—there too the criminals covered up their tracks) but cannot serve as documentary confirmation of the secret agreement—we had to confirm that by historical analysis.

Now it turns out that we did have original copies and they were not a secret to everyone. Andrey Gromyko knew: but all right, he was a politician of the old days when it was not acceptable to reveal secrets of state immorality—it was believed that this ran counter to the interests of the people. Gromyko died in July 1989—half a year before Yakovlev's report to the congress. But the Ostankino report includes this sentence: "Valeriy Boldin, the chief of the general department of the CPSU Central Committee, was the last to open the 'special file' in 1987." This is the very Boldin who is now under investigation in the GKChP [State Committee for the State of Emergency] case. Who knew besides him? If they

knew, why did they keep silent? If they did not know, just what was the real role and the real power of Boldin?

And there is another detail which characterizes not the past, but present political morals. On the very same day as Ostankino, ABC reported on the original documents of Stalin's agreement with Hitler to divide up Europe. The American company asserts that it gained access to the documents first, that is, before the Russian mass information media. It reports its own interesting details, for example, the Soviet Union's payment to Germany of 7.5 million dollars in exchange for seizing an additional part of Poland. Part of that sum was paid in gold and part in oil and arms, which, as ABC suggests, helped the Germans survive the blockade imposed by the British. And again the question arises: why was the information from Russian archives available to the Russian mass information media later than foreign media? This is not the first such case and the problem here cannot be reduced to the competition of our newspapers and television and radio companies with foreign ones (although Russian politicians should certainly not be indifferent to that). We must not fail to ask the following questions: Who is the owner of the archives? What is still hidden there which the public up to now does not know? When and how will it be made public?

Russia, Germany Discuss World War II Reparations

934C029B Moscow NEZAVISIMAYA GAZETA
in Russian 24 Oct 92 p 4

[Article by Vyacheslav Yelagin: "Reparations to War Victims: Obviously, Both the German and the Russian Sides Will Have To Pay Them"]

[Text]

Germany

During the recent official visit of the minister of foreign affairs of the FRG, Klaus Kinkel, to Moscow, the Russian side vigorously insisted that the German side make reparations to former Soviet citizens who were victims of Nazism during the years of the past war. The Germans, we must give them credit, agreed to discuss this difficult problem, although they consider it closed forever for themselves. The stumbling block in the talks was the hefty sum which is to be paid to victims of forced deportations. Our proposal to allocate from 5 to 6 billion marks to these persons was rejected outright. We can understand the Germans. Snatching such sums from the program for restoring the East German economy is a risky matter. Social tension in the new lands is reaching dangerous levels even without that. But, it seems, Bonn will all the same fork over 1 billion marks. Agreement will apparently be reached on this during the December visit to Russia of Chancellor Helmut Kohl. The Russian citizens who were victims need this money. Judging from everything, further negotiations will continue.

But is it merely the costs of unifying Germany which explain the Germans' unwillingness to make reparations for the amounts of financial loss named by the Russian diplomats? Are there some other reasons accompanying this? The question posed by Bonn of giving representatives of the German Red Cross broader access to the Russian archives which hold information on the victims of the camps in the Soviet occupied zone in Germany has somehow escaped the notice of observers. This is because debates on internment camps have been going on for the last two years in political and public circles and in the mass information media of Germany. Initiative groups of citizens have been set up to open mass graves and clarify the circumstances of people's deaths. Special commissions demand that the federal government take steps not only to rehabilitate the victims but also to pay reparations to those remaining alive and to the relatives of the dead.

But in the former USSR people seem to have tried not to notice this problem. It has been asserted that only active members of the National Socialist Party were kept in the camps. In practice innocent people also frequently proved to be the victims of the lawlessness and arbitrary rule: simple peasants, members of trade unions, Social Democrats, and even communists who expressed their particular opinion regarding spreading Stalinist methods of building socialism on German soil. The conditions for keeping prisoners were by no means sublime: people died from hunger, cold, and disease. But even so this was hardly comparable to the Nazi camps.

Assertions by some German mass media that most of the prisoners in the camps had not taken part in war crimes do not seem to be unequivocally true. The Soviet side was induced to hand over to the then minister of foreign affairs of the GDR Distel a document which gave the figures on internees: 122,671 people, and of them 42,889 never saw freedom. According to the German estimate, the number of prisoners and dead was 25-30 percent higher. The question of identification of the graves remains a mystery for now. It is difficult to prove to whom they belong. For the victims of the Soviet camps, like those of Nazi concentration camps, were essentially in the very same places.

There are also other features in the story of the internment camps to which we should devote attention. The occupied zones of the three Western powers had similar types of prisons, and sometimes simply barracks hastily knocked together. The conditions of the prisoners in them, according to witnesses' testimony, was almost as bad as in Soviet ones and the number of dead was even greater. However, for some strange reason, this topic has not taken root on the pages of the German press. But the topic of Soviet camps has not stopped popping up even today.

According to certain information, German specialists are already working on a number of Russian archives and discovering the fate of their countrymen. Most likely they are not getting the proper hospitality everywhere.

But it also happens, apparently, that some of them are not showing the activism necessary in such cases. After K. Kinkel's appeal the archive searches will obviously speed up. So this "dark spot" in Russian-German relations still awaits its hour. It is not impossible, however, that the question of reparations on our part to innocent victims will also arise later.

Details on Partial Evacuation of Personnel From Angola

934C0249A Moscow NEZAVISIMAYA GAZETA
in Russian 28 Oct 92 p 1

[Article by Aleksey Varenov under the rubric "Details": "Out of Angola, but Unwillingly: The Partial Evacuation of CIS Citizens From This Country Has Begun"]

[Text] This preventive measure is linked to the unpredictable, volatile situation in this country after the elections of 29-30 September. As a responsible associate of the RF Ministry of Foreign Affairs [MID] Africa Department reported, the decision was made without waiting for an unfavorable development of events to evacuate women and children of employees of the Russian Embassy and specialists working in Angola. On Monday the first group of evacuees, 158 people, arrived from Luanda on a special flight. Now, according to MID data, 500-600 citizens from the republics of the former USSR are continuing their work in Angola. According to the diplomat, not all specialists, especially those working in the provinces, are taking the embassy's concern seriously and they are in no hurry to send their families home, even at state expense, although it is assumed that all of them will return to Angola as soon as tension in the country diminishes. Taking into account the situation in certain regions of the former USSR, Russia's ambassador to Angola Kapralov did not insist on evacuating the families of specialists from Georgia and Armenia; from them the corresponding written application was required. The embassies of the Western states are also removing their citizens to neighboring countries with more stable political conditions.

Decree on Regulating Re-Export of Russian Goods

935D0073A Moscow ROSSIYSKIYE VESTI in Russian
29 Oct 92 p 4

[Russian Federation Government Decree No. 640: "On the Mechanism of Regulating Re-Export of Russian Goods," signed by Russian Federation Government Deputy Chairman A. Shokhin on 27 August in Moscow]

[Text] For purposes of realization of Article 10 of the Agreement on regulating mutual relations of Commonwealth states in the sphere of trade-economic cooperation in 1992, as of 14 February 1992 the Russian Federation Government resolves:

1. To establish that permission for re-export of Russian goods by other Commonwealth states shall be granted by the Russian Federation Ministry of Foreign Economic Relations.

2. That the Russian Federation Ministry of Foreign Economic Relations, the Russian Federation State Customs Committee, the Russian Federation Ministry of Economics, the Russian Federation Ministry of Trade and Material Resources, and the Russian Federation State Committee on Economic Cooperation with Commonwealth Member States shall, within a month's time, develop and ratify a statute on the procedure for issuing permits for the re-export of Russian goods by other Commonwealth states.

3. That the Russian Federation Ministry of Foreign Economic Relations shall bring the content of the present decree to the attention of the appropriate agencies of the Commonwealth member states.

[Signed] Russian Federation Government Deputy Chairman A. Shokhin

Australian Trade Minister To Visit Russia's Far East

934A0164A Moscow ROSSIYSKAYA GAZETA
in Russian 30 Oct 92 p 7

[Article by Dmitriy Kosyrev, diplomatic reviewer: "Australia—A Country Interested in the Flourishing of Russia"]

[Text] An event that is not altogether routine for our practical diplomacy is about to occur. Australian Minister of Trade and Overseas Development John Kerin is making preparations for a visit to Russia, during which he will not go to Moscow and he will not participate in cordial and friendly discussions here. J. Kerin's itinerary takes him to Vladivostok, Khabarovsk and Yuzhno-Sakhalinsk.

Many in the Russian capital are stumped by this: Why wouldn't this guest from Australia come to Moscow and talk, for example, about the Russian debt? The USSR did after all receive \$100 million in Australian loans some time earlier for the purchase of wool, wheat and so on. And now no one is giving this money back to the Australians. And inasmuch as the loan was insured by an Australian state-run financial organization, it turns out that it will have to pay for us. That is, essentially the Australian taxpayer, who is annoyed by this because for several years his country has been unable to come out of a crisis felt by its entire population.

Well, be that as it may, there is logic to the minister's plans. Obviously he sees little hope for repayment of the loan, but in the Far East, Australia does have fully definite business interests, and efforts to expand them are proceeding.

The list of projects already under way is impressive. There are deliveries of Australian bauxite to the Bratsk Integrated Iron and Steel Works and subsequent sale of products to countries in the Pacific region; participation in the Lenzoloto Joint-Stock Company; establishment of communication stations on Sakhalin. There are too many to list them all. And what is important is that these are not the vestiges of former "Union" ties. Quite the contrary, they are the outlines of an entirely new system of mutual relations that will replace the old. The system under which the USSR first purchased wool and meat from Australia for many long years, and then stopped doing so, leaving debts behind and creating a problem for Australian exporters in their difficult times.

What is new here is reliance upon strong productive ties. Evidence of this can be found at least in Canberra's noticeable interest in the ukase on development of the Far East recently signed by Boris Yeltsin. Australian diplomats and businessmen are presently displaying heightened activity aimed at winning a chance to participate in the program's development by showing their interest in it from the very beginning. It is a fully reasonable approach, by the way, and advantageous to both sides.

Note that the activity of this Pacific partner of Russia is comparable to that displayed by, for example, China and South Korea. According to information from our embassy, requests and proposals from Australian business are increasing, and the structures (committees and so on) necessary for normal conduct of business are being reformed. And while the Republic of Korea is close, perhaps only Argentina is farther away from us than Australia.

What we have here is an obvious coincidence of the phases of development of the two countries—a coincidence that is very advantageous for both.

Both Russia and Australia are undergoing a deep crisis. I'm not going to go into detail about ours; I will simply say that a short while ago both countries unexpectedly found themselves before the need for changing their reference points in numerous areas, and neither is fully prepared for this psychologically. In Australia, the crisis has already been in existence for several years, accompanied by 11 percent unemployment and a long period of general national depression. Its purely economic causes lie in isolationism, in excessive protection of its industry by import tariffs, and in an inability to think about the competitiveness of the entire economy as a whole in time. The country attempted to do without the necessary "shock therapy" and it is now suffering from this.

Every "peculiarity" costs dearly. Located on the southern margin of the world's most dynamic region, Australia found itself in the role of its "colony," a supplier of raw materials and agricultural products for Asian neighbors on the way to becoming industrial giants.

Between the world wars, this country was 98 percent "British" in population, and it oriented itself to the same degree on England economically. But from the early 1970s it became clearer with every year that England is Europe and Australia is still part of the Asia-Pacific region. And the place of "parent country" for Australia was occupied with increasing resoluteness first by Japan, and after it by other new industrial "dragon" states.

Such a change in reference points additionally creates moral problems. We can understand the mood in a state that is comparable in area to the United States or Brazil, but in population (17 million) to Malaysia for example, and neighboring upon an enormous conglomerate of Asian nations. There is simply the fear of being "absorbed," however you may wish to define this term. Moreover Australia is acquiring an increasingly more "Asiatic" face. For a nation that began with 778 "noble" English convicts who were put ashore in 1788 in the vicinity of what is now Sidney, growth by immigration is normal. But for many years immigration to the Fifth Continent has been quite specific—Vietnamese, Chinese from different countries, and so on. While this is a reality and something unavoidable, it is perceived with apprehension at least by the older generation. But there is nothing you can do—in our century, isolation brings nothing but misfortune.

And so we have a double crisis—economic and moral. But any economist will tell you that such a situation, and all the more so one accompanied by a fresh wave of active and urbane immigrants, is the herald of a new era, a new economic market. The orientation of all of the efforts of Australian politicians and businessmen is fully obvious. It is upon active integration into the Pacific community.

Moreover the Russian Far East and Siberia represent an unexpected highly promising and advantageous partner in this respect.

The fact is that one of the pillars upon which the Australian economy rests is mining. And if we consider that mining industry, and especially the oil extracting sector, which requires capital and energy, is an obvious point of stimulation of Russia's rebirth; if we recall the possibilities opened up here precisely by Australia's geographically natural partner—the Far East; if we consider the possibility that it can become an Australian springboard for economic penetration into the region's North.... Add to this the prospects for technological cooperation in agricultural processing, medicine and so on; I'm referring in this case not at all just to Australian technology alone.

And add to this another factor. Australians and Far-Easterners are similar in their thinking. These are the descendants of colonists who developed land far from their mother—Europe. These are two centers of European culture in the north and south of the Pacific ring. And as for the prospects not only in cultural exchange

but also, for example, in the similarity of management systems, these are things that Canberra understands and is trying to capitalize upon.

The solution here is simple and pleasant. Australia is a country objectively interested in Russia becoming a

flourishing Pacific power, an Australian partner. And of course, after such partnership is achieved, it can be declared that it will change the face of the entire region. But inasmuch as all historical changes are made up of small specific steps, it is our hope that J. Kerin's visit to Russia's East will be successful.

POLITICAL AFFAIRS

Kravchuk, Bagrov Discuss Situation in Crimea

WS0411133492 Kiev KHRESHCHATYK in Ukrainian
14 Oct 92 p 1

[Article by Viktor Demydenko: "The Actions Were Illegal"]

[Text] Two sets of issues were discussed today at the meeting between Ukrainian President Leonid Kravchuk and Mykola Bagrov, the chairman of the Supreme Council of the Crimean Republic. The first concerned the application of the Law on the Division of Power Between the Ukrainian and Crimean Government Bodies, the other dealt with the 1-9 October developments in the Crimea.

As it is known, the Supreme Council of the Crimean Republic passed the relevant law and introduced changes to the Constitution. Now the time has come to thoroughly work out all the mechanisms connected with the implementation of this law. An agreement was reached to task the governments of Ukraine and the Crimean Republic with developing an appropriate mechanism.

Commenting on the recent events in Crimea, Leonid Kravchuk and Mykola Bagrov agreed that actions of the extremist groups were illegal and unconstitutional. No one should be allowed to violate the Ukrainian laws and the laws adopted by the Crimean Supreme Council. There should be no violence. The extremists, who acted on behalf of the Majlis of the Crimean Tatars, were out to instigate unrest in the Crimea. This is intolerable.

It has been declared that the president will deal only with legally elected government bodies and with the structures created by the Crimean Supreme Council. He will support actions protecting the Constitution, legitimate rights and freedoms of the citizens, and the stabilization of the situation in general.

Dissatisfaction was expressed at the meeting with the behavior of the Crimean local authorities who in many cases were hesitant and made no attempts to prevent the confrontation.

The historical right of the Crimean Tatar people to return to their motherland has been confirmed at the meeting. However, it should be implemented gradually and with respect for the laws, rights and freedoms of the people who live in the Crimea.

Liberal Party Head Gives Political, Economic Positions

93UN0173A Kiev NEZAVISIMOST in Ukrainian
16 Oct 92 p 4

[Article by Volodymyr Klymchuk, cochairman of the Liberal Democratic Party of Ukraine, under the "Point

of View" rubric: "The Fence Is Up, But There Is No House. On Patriotism and Reforms. Reflections of a Liberal"]

[Text] The Liberal Democratic Party is the thirteenth on the "registration roll" of young Ukrainian parties. It was under this number that it was registered by the Ministry of Justice in July of this year. Only time will tell whether the number 13 will bring it luck.

The principles of liberal democracy are professed by nearly one thousand people, primarily representatives of the scientific-technical and humanitarian intelligentsia. Their banner proclaims the priority of individual rights. They support private property and free enterprise. We offer our readers an article by the leader of the Liberal Democratic Party of Ukraine [LDPU], Volodymyr Klymchuk.

Autumn. The pause in politics, during which the situation preceding the beginning of a new political cycle is assessed, has come to an end. Aside from analyzing the situation, it is natural for political parties to want to take a hand in and influence the course of public life.

Searching for resultful forms and methods, they form coalitions, either for the long term or for the purpose of conducting certain actions. That is exactly how New Ukraine—an alliance of parties and business structures—came into being. Despite a great divergence of views, the members of this alliance agreed on one goal—the urgent need to focus their efforts on implementing economic reform. There recently emerged another coalition—the Congress of National Democratic Forces. It, too, has defined its priorities: a national state, a united Ukraine, exit from the CIS, and so on—although it also proclaimed its desire for a market economy. The formation of this coalition did not arouse a great deal of enthusiasm among liberals. If anything, it evoked a sense of unease. What makes us uneasy is the overly zealous desire of this coalition's leaders to concentrate all their attention on state building, their support for official government structures, and at times an overt disposition to political opportunism.

For liberals, the state has never been a self-sufficing goal. In supporting an independent Ukrainian state, the liberals supported, first and foremost, the possibility of overturning totalitarian structures, respect for human rights, and the implementation of market reforms in Ukraine.

We have not forgotten that the communist nomenklatura also stood up as an ardent champion of an independent state. Its desire for independence emerged quite some time ago and was of a purely egotistical nature. Ukrainian secretaries and ministers wanted to be equal rulers in the communist state of the Ukrainian Soviet Socialist Republic, and not just the executors of the directives of subordinate instructors from the Moscow center. By the beginning of last year, propagandists of national communism began to appear at meetings and conferences of democratic organizations. This was a

serious sign of a possible alliance between the communist nomenklatura and the democrats, who were focused exclusively on the national idea. They came together a year ago, when the threat of a trial loomed over the Communist Party following the events of August.

The unanimous vote by deputies to the Supreme Soviet in favor of the Declaration and later in favor of Ukraine's exit from the USSR meant agreement on one position by people professing different goals. Subsequently, their paths should have parted. But the communist nomenklatura sensed that the national-patriots were allies who could be exploited for a long time to come. It needed to divert attention from reforms, to hold back the democratic movement on the positions and slogans of yesterday, and to block not only reforms, but even programs for reform. The clamorous patriotism of some "democrats" served its purposes very well. And so they jointly began a search for enemies of Ukraine, both outside and inside the country.

There soon appeared scholarly justifications for this unique form of patriotism—a "new" understanding of the notion of "opposition" (which comes close to its antonym, "opportunism"), interpretations of the idea of the "nation" as meaning the indigenous nation, emphasis on the theoretical national-fascist works of Dontsov or the social-democratic program in Hrushevskyy, while ignoring or even condemning the liberal ideas of Kostomarov, Drahomanov, and Lypynskyy.

When you listen to the parliamentary speeches of many of our national-democrats, you get the impression that they regard exposing Moscow as their main task. To be sure, there is a need to take on Moscow. But "victory" in this struggle is guaranteed only if Ukraine surpasses Moscow in the pace of economic reforms. Otherwise, all the love of patriots notwithstanding, it will suffer the fate of being a colony, and not necessarily of Moscow.

Many have turned their love for Ukraine into a profitable profession. In the past, this was the field in which the Komsomol nomenklatura toiled. Today, too, the loudest voices are those of the "Komsomolites." Things have reached the point where they unblushingly call one another "famous sons of Ukraine." Yesterday's helpers of the Party and the KGB are today ardently defending Metropolitan Filaret, sharing his fervent, albeit somewhat surprising, love for Ukraine, as well as his code in life—service to any church as long as he is in power.

Another distinguishing trait of our patriots is their determination to claim a monopoly on love. They alone live only for Ukraine, they alone worry about the fate of the people, they alone are the champions of sovereignty. Millions of Ukrainians, Russians, Jews, and Poles, who voted in the referendum for independence, are not taken into account. Amazingly, a recent presidential candidate and a recent deputy prime minister of sovereign Ukraine, removed from power specifically because he wanted to implement a real program for saving Ukraine, are suspected of treason.

As to the positions of the Congress of National-Democratic Forces. Many of them run counter to economic expediency. First and foremost, isolationism. It calls not only for leaving the CIS, but also for opposing all agreements and relations. This stand is quite correct with respect to vertical suprastate structures. But the "patriots" also oppose horizontal relations.

This brings to mind the sad story of the man who spent all his money on building a tall fence and a gate and, as a result, had nothing left with which to build a house or set up his household.

If the times were different, we could argue about priorities. The liberals' position is unambiguous—private property and free enterprise are the basis of all individual rights and freedoms, and the foundation of a civil society.

For the time being, however, there can be no talk of any kind of stabilization. Production is falling and will continue to fall. In its reports, the government speaks only of slowing the pace of the drop. But this slowing does not promise anything agreeable. The shopping basket is shrinking at a headlong pace. High prices camouflage massive shortages. The attempt to make wages catch up with prices is doomed to fail.

We are still left with competition "inside the loop," between the different sectors, for higher prices and rates. But this competition will not produce a winner. The only thing it promises is a permanent strike by sectors, which in the end will be transformed into a general strike.

Falling production brings with it the threat of unemployment. This problem deserves special attention, inasmuch as this is the situation that probably most troubles the various anticrisis committees. In the Land of the Soviets, they used the most brutal methods to combat this problem, resorting to any means, especially to judicial and administrative measures. We now have our first officially registered jobless. They already number more than 450,000 in Ukraine. That is the official figure. And how do things really stand? There are no statistics on hidden unemployment. Yet, given our situation, what does it mean that a significant number of enterprises have switched to a four-hour work day or to a four-day week? How are we to interpret mandatory long vacations, early retirement, and, most ominous of all, the fact that graduates of schools, technical schools, and higher educational institutions have no job assignments? Compare labor productivity (as well as wages) in our enterprises with that in foreign industries, and you will see the real scale of our hidden unemployment. Strictly speaking, a large number of plants and branches of the economy, which are not producing goods, are unemployed in our country. No one is declaring them bankrupt. Insolvent enterprises exist for years, for decades. Their directors and chairmen are deliberating with the president's representatives (as they once did at meetings of party activists) which is the better course of action—to pay unemployment benefits from the budget or to grant

preferential terms to the enterprises (once again at the state's expense) for not discharging people from work—in other words, for hidden unemployment. Of course, it is better to keep people behind plant walls, under supervision (as has always been the case). Yet perhaps, after all, we should open this closed circle and let the people go free. However, not as was done in 1861, but "with land," that is, by granting them property. Immediate privatization is the only way to avoid economic catastrophe and a terrible social explosion.

However, those in power think differently. Their most important goal is to hold on to power. For them, power means prosperity and even life itself. As for the future, their circle has long held the view that "There is enough for as long as we are around!" The death throes continue.

The allocation to deputies of apartments, cars, shoes, clothing, and underwear are mere details. Although, in keeping with established nomenklatura habits, they do not renounce these details. It is a pity that the democratic deputies are also taking advantage of these allocations, because that places their democratism in doubt.

Neither land nor housing nor state property have found their way into the hands of the people. Yesterday the laws to regulate this process were not yet in place; today it is the lack of mechanisms; tomorrow it will be a matter of cadres; and the day after tomorrow, the lack of instructions.... What is really lacking is political will, or, if you like, interest. Is it possible that the nomenklatura, which has established ties with mafia structures, expects that it will get away with the criminal "privatization"? Is it possible that the Supreme Soviet, the government, and the president think that the people who have been robbed will be satisfied with vouchers, checks, and certificates that will no longer stand for anything? Are they not afraid that the "barbaric" privatization may be followed by a "barbaric" expropriation?

So far, most people are subsisting in the midst of a complete sense of disorientation, without any hope for the future. Culture is declining, and officialdom is becoming completely corrupted by bribes. Time is passing, resources and reserves are being exhausted, and as they disappear, the remnants of the prestige and trust in government structures, including the president, are melting away.

The president's position is not distinguished by originality. He serves the interests of the circle to which he belonged for many years, the structures that brought him to power. No initiative in the sphere of economic reform, no serious changes in cadre policy, an abiding concern for the repressive apparatus, and a quest for ever more powers. Also an inherited predilection from his predecessors for large-scale mysteries, so out of place in a period of crisis.

The national-democrats are themselves responsible for making the situation more difficult. The rudiments of the totalitarian mentality are at work—the habit of

endowing the leader with a higher wisdom, farsightedness, of enveloping him in a veil of mystery and enigma. For the one in power, this image is very convenient. He does what best suits his purposes—he blocks reforms and avoids responsibility, while his opponents discuss the special considerations underlying his thinking, the significance of his political conduct; they interpret his texts, look for subtexts, decipher hints, calculate future moves that have never even entered his head. In doing so, some portray what they would like to see as the real thing, deceiving themselves and others, while others deceive only others.

For half a year, a debate was waged over a phony question: "When will the president give up Fokin?" I knew when "the president will give up Fokin," but I also knew something else. The president would not violate the principle of communist solidarity of his own free will.

The liberal democrats are also for a strong state. But they see this strength as lying primarily in an effective economy, the prosperity of its citizens, and in the opportunity for creative expression by its people. The liberal democrats are also for strong government, but for a government that will defend the honor and dignity of each individual and protect his or her private property as well as it protects the president's palace.

Roundtable Views Political Mood in South

93UN0179A Lvov ZA VILNU UKRAYINU
in Ukrainian 8 Oct 92 p 2

[Report by Oleksandr Syrtsov, Melitopol—Lviv: "Who and What the South Supports"]

[Text] *A visit to Melitopol provided an opportunity to get acquainted with the opinions of the politicians and inhabitants of that region. A roundtable discussion was able to be organized with the help of activists from the local Rukh, in which members of political parties and deputies took part. One might not agree with all of their assertions. The interlocutors, however, were most frank. We should hear them out and understand, because only thus can we remove the imaginary boundary between East and West Ukraine.*

[O. Syrtsov] Our discussion is taking place at the first anniversary of the independence of Ukraine. What successes, in your opinion, have we achieved over that year? What are you dissatisfied with as citizens and politicians?

Sergiy Yushkin, deputy of the Melitopol City Soviet:

Over this year we have taken one more step away from the Bolshevik empire. It came at too high a price for us, and it has obviously not yet been all that we will have to pay. But the empire has collapsed—to rebuild Bolshevism on its wreckage is considerably more difficult than it was at one time to sow it across a sixth of the globe...

Igor Bondar, a member of Rukh:

The results of this year are purely potential, they are in the future. I am an optimist, and so I believe that in a few years Ukraine can still become a prosperous country whose citizens will be rid of national complexes. We must abandon talk and build a state. But there are obstacles as well. The first is the fact that the Communist Party *nomenklatura* has entrenched itself in the local areas under blue and yellow banners. It is not difficult to foresee what will come of that. A rise in the standard of living has unfortunately not yet occurred.

Hennadiy Zamula, consultant to People's Deputy of Ukraine Bilyy:

I can only join in that assessment. The situation has gotten worse even at the everyday level. At first there was a feeling of satisfaction that we had achieved our aim, had banned the Communist Party. Gradually that satisfaction came to naught. We are observing a spiritual decline, the reluctance of people to work, we are seeing supervisors who have a careless attitude toward their duties...

Oleh Pavlenko, instructor at a school of culture and member of the Democratic Party of Ukraine:

We know from world history that the economies of many countries rose up from the ruins namely thanks to the resurrection of the national idea. The same thing should happen in Ukraine. But what we are observing today—the dominance of Western films, second-rate printing output and the like—is by no means furthering this. Vynnychenko, Khvylovyi, Hrushevskyy—our youth unfortunately have little interest in those names.

S.Yu.: The year 1992 has brought a great threat of national chauvinism, which is rearing its head in the Dniester region, the Caucasus and in Russia. As long as we in Ukraine are able to avoid that danger, things should go fine.

[O. Syrtsov] The nationalists seem to have gotten the majority in the parliamentary elections. Is that good or bad, in your opinion?

O.P.: We'll see which get a plus or a minus. The classic term in European philosophy signifies a person whose highest aim is the creation of a nation state. But we know that no absolutely single-nationality states exist on the planet. Every state has to respect the rights of its citizens. Thus, to answer that question I have to specify—it depends on which nationalist. Nationalism is good, but it has such distortions as chauvinism. There is no great threat of it in Ukraine, and we should not cross the line of "ours—not ours."

H.Z.: You perhaps have UNSO in mind? I have read their literature. Frankly speaking, I would not like to have those people come to power. A more moderate policy is required. I would support Goryn, Chornovol and the forces that stand behind them.

S.Yu.: If this nationalist would put the rights of people over everything in his activity, I would follow him through thick and thin. If he puts the rights of one nation above the rights of another, then we are not going the same way.

[O. Syrtsov] Melitopol is located not far from the two "Ukrainian" seas. How do you evaluate the situation with the Black Sea Fleet, especially after the agreement on the joint command of it?

S.Yu.: I wore a naval uniform for eight years, and so I will speak as a professional. From a military point of view the Black Sea Fleet must be written off. By modern standards the Black Sea, with apologies, is a puddle. As a politician, however, I believe that Ukraine must have its own navy. True, I have doubts of the expediency of keeping a strategic fleet of Ukraine and Russia in the Black Sea. The protection of borders and political representation are another matter. And another thing. Sevastopol is for the sailors a place of Russian glory. It would thus be difficult to raise this question so quickly and abruptly.

I.B.: The principal task of Russia in this region is to preserve the Crimea as a beachhead for separating its units from Ukraine. The fleet morally supports the chauvinistically inclined portion of the population on the peninsula. Moscow moreover has a strategic plan to do everything possible so that it is not better in Ukraine than in Russia. It is moreover difficult to divide up the fleet now, in my opinion.

S.Yu.: It is an attempt to delay a solution. Take, for example, the hypothetical situation of a Ukrainian-Russian war—what about the fleet? And in general, under the conditions of contemporary combat operations, this fleet would stay afloat for a matter of hours...

H.Z.: Ukraine must have its own fleet. I also concur with the Dagomys agreements. In Kravchuk's place I would not have found a more rational solution than to postpone it.

[O. Syrtsov] Is the idea of creating Novorosiya [New Russia] finding support in Melitopol?

S.Yu.: I have not yet encountered this idea in popular form.

I.B.: People in Melitopol are more interested in business, they want to live prosperously. The idea of an autonomous Tavriya or Novorosiya has not occurred to our inhabitants.

H.Z.: While in the first referendum almost everyone here voted for the Union, and in the next one for Ukraine, I cannot rule out that as soon as we pose the question, say unification with Russia, that they could also vote "for." People here are more oriented toward Russia. They go to Russia to sell, and to buy as well. Thus, if the situation worsens, I cannot rule out the possibility of the disintegration of Ukraine.

O.P.: The idea of some separate Novorosiya arose in the environment of the Odessa professors. But it has a foundation in Odessa. This is a port and trading city, it needed economic freedom. Separatism is not being manifested in our region. But if the economic situation worsens substantially... The people could become a victim of political adventurers...

Green Party Adopts Program, Statute at Kiev Congress

WS0611133292 Kiev KHRESHCHATYK in Ukrainian
15 Oct 92 p 6

[Article by Mykhaylo Melnyk: "The Greens Change Their Tactics"]

[Text] The issue of the Green Party tactics, changes and additions to its program and statute were discussed during the 3rd Green Party Congress held in Kiev. Problems of the state-building process were reflected in the new draft of the party program. A number of points on the agenda, particularly those concerning anti-military activities, the promotion of nuclear-free zones, the protection of human rights, the examination of the effects of industrial reform on the environment, and issues related to international policy, were expanded and made more specific.

Points in the statute pertaining to the party's organizational structure and its coordinating bodies were significantly changed. The competence of the political council was ultimately defined as the body responsible for determining the party's political line. The responsibilities of the secretariat were also determined.

Resolutions were passed about urgent political and environmental problems. PZU [Green Party of Ukraine] is in favor of early multi-party elections to the Supreme Council, and is opposed to the adoption of the draft Ukrainian constitution, currently under nation-wide discussion. The PZU believes that the draft constitution does not give priority to human rights over the rights of the state and legitimizes the centralized, undemocratic structure of the executive power. The congress expressed solidarity with the Armenian "greens" concerning plans to set the Armenian AES [Nuclear Electric Power Station] into motion.

The issue of the party's potential political allies remained unsolved. The Congress underscored the PZU's readiness to cooperate with all democratic political forces. Vitaliy Kononov was elected head of the Ukrainian Green Party.

Statute on Ministry of Justice

Text of Statute

935D0042A Kiev HOLOS UKRAYINY in Ukrainian
13 Oct 92 pp 2-3

["Statute on the Ministry of Justice of Ukraine"]

[Text]

1. The Ministry of Justice of Ukraine is a central organ of the state executive power whose head, in accordance with the Constitution of Ukraine, is a member of the Ukrainian Cabinet of Ministers.

The Ministry takes part in the implementation of state policy in the sphere of the protection of the rights and legal interests of citizens and in the preparation of drafts of legislative acts and its systematization, and it provides for the organizational activities of the courts, the granting of legal assistance to the population, and the improvement of legal work in the national economy.

2. In its activities the Ministry of Justice of Ukraine is guided by the Constitution and laws of Ukraine, edicts and directives of the president of Ukraine, decrees and directives of the Ukrainian Cabinet of Ministers, and this Statute. Within the bounds of its powers, the Ministry organizes execution of acts of legislation of Ukraine and performs oversight over their implementation.

The Ministry generalizes the practice of application of legislative acts on questions that enter into its competency, and it drafts proposals with regard to its improvement and submits them for the review of the Ukrainian Cabinet of Ministers.

3. The basic tasks of the Ministry of Justice of Ukraine are:

preparation of drafts of normative acts, systemization of legislation of Ukraine and preparation of proposals concerning its codification, contribution to the elevation of the level of codification work that is carried out by ministries and other central organs of the state executive power of Ukraine, and improvement of legislation; publication of codes and collections of normative acts, and collection of decrees of the government;

organization and coordination of work to provide information on legal matters;

organizational support of the activities of oblast courts, the Kiev city court, interrayon (district) courts, and rayon (city) people's courts, while strictly observing the principle of independence of the courts and their subordination to the law alone; organization of work to oversee the activities of bailiff; provision of expertise in legal matters;

provision for the granting of legal assistance to the population, enterprises, institutions, and organizations; contribution to the improvement of legal work in the national economy;

coordination of the activities of state organs with regard to the legal education of citizens and methodological support for the organization of a general legal education of the population;

performance according to established procedure of international relations on legal issues;

contribution to the development of legal science and implementation of scientific and methodological recommendations;

introduction in subordinate institutions and organizations as well as courts of scientific organization of work and administration; organization of work with personnel; performance of retraining and requalification of workers of those institutions, organizations, and courts.

4. In accordance with the tasks entrusted to it, the Ministry of Justice of Ukraine:

1) at the instruction of the president of Ukraine or the Ukrainian Cabinet of Ministers or on its own initiative, prepares drafts of normative acts and takes part, together with other state organs, in the preparation of normative acts;

2) at the instruction of the president of Ukraine or the Ukrainian Cabinet of Ministers, offers legal conclusions on drafts of normative acts;

3) performs work on the systemization of legislation of Ukraine and prepares proposals on the codification of laws, the introduction of amendments and additions to legislative acts, and acknowledgement that acts have lost validity; compiles and publishes collections of decrees of the government and collections of the normative acts and codes of Ukraine;

4) performs the functions of the main orderer of an automated legal information system for collective use and provides users with legal information; implements technical policy in the sector of legal information science; contributes to the creation of a network of state computer centers for legal information and service;

5) performs, according to established procedure, legalization of political parties and all-Ukrainian and international associations of citizens that exist on the territory of Ukraine, and performs oversight over their observance of the provisions of their statutes; keeps a record of associations of citizens it has registered;

6) drafts and submits to the appropriate state organs proposals on the organization of oblast courts, the Kiev city court, interrayon (district) courts, and rayon (city) people's courts; performs organizational support of the activities of these courts; prepares proposals with regard to changes in the system of the courts and their staff;

provides for and coordinates work with regard to the implementation of court and legal reforms;

7) provides for the keeping of court statistics and analyses of structural data;

8) takes part in scientific and sociological research for purposes of drafting state programs for fighting crime, defending law and order, and providing social and legal protection of citizens;

compiles the state order for scientific research work in the sector of court expert testimony, directs and oversees the activities of subordinate scientific research institutions for court expert testimony, and coordinates the work of the appropriate state organs on questions of the development of court expert testimony;

9) performs organizational support for the execution of rulings, decisions, and decrees of courts in civil cases, of decrees in cases for administrative offenses, of sentences, decisions, and decrees of courts in criminal cases with regard to property penalties, and of decrees and decisions of other organs whose execution is entrusted by law to bailiffs;

10) conducts relations with appropriate institutions of justice of other states and concludes agreements with them on questions of cooperation;

prepares jointly with other state organs drafts of international agreements (treaties) of Ukraine on questions of legal assistance in civil, family, and criminal cases;

provides for the execution of international agreements of Ukraine on questions of legal assistance in civil, family, and criminal cases, as well as of conventions and agreements on all questions connected with the activities of courts, the state notary public office, and organs that record certificates of public registration;

submits to the appropriate organs information on existing and previously valid legislation;

11) organizes operations of notary public institutions, inspects their activities, and applies measures to improve them;

12) drafts and performs measures directed at improving the work of organs that record certificates of public registration;

ensures preparation and oversees use of forms for the registration of certificates of public registration;

13) promotes the work of associations of lawyers, and offers methodological assistance for the improvement of their activities within bounds and procedure established by existing legislation;

14) issues special permits (licenses) for the performance of legal practice to subjects of free enterprise, examines reports and complaints concerning their performance of legal practice, issues directives on the elimination of violations, and suspends and annuls licenses;

15) contributes to the improvement of legal work in ministries and other central organs of state executive power, studies the status of this work, and issues recommendations concerning its improvement;

circulates better forms and methods of work concerning legal provision for economic activity and applies measures to elevate the qualifications of workers of legal services.

performs state registration of normative acts of ministries, agencies, and other central organs of the state executive power and of organs of economic administration and oversight that affect the rights and legal interests of citizens or are of an interagency nature; keeps a state register of these acts and prepares their publication in collections;

offers methodological help to ministries and other central organs of state executive power of Ukraine with regard to bringing their normative acts into correspondence with existing legislation;

16) provides via the press, television, radio, and other mass media information to the population on the activities of institutions of justice and contributes to the circulation of knowledge about the state and law and to the explanation of existing legislation;

provides for the interaction of state organs in the performance of joint measures directed at raising the legal consciousness of the citizens;

studies and analyzes the status of the provision of legal information at educational institutes and at enterprises, institutions, and organizations, and offers them the necessary methodological assistance; submits to the appropriate organs proposals on improving the teaching of legal matters in nonlaw higher and professional institutions, secondary general education schools, and educational institutions for raising qualifications and retraining personnel; drafts typical educational and thematic plans and programs for the field of legal training;

takes part in the performance of sociological research on problems of legal educational work and in the study of readers' demand for legal literature and the planning for its publication by publishing houses of Ukraine, and renders conclusions on the advisability of publication of textbooks, methodological manuals, and other literature for legal training;

17) presents judges for election according to established procedure; organizes work with personnel and their requalification and retraining, and motivates workers of subordinate institutions and organizations;

18) takes part in the drafting of proposals on the training of legal personnel and offers to legal education institutions proposals on young specialists needed for work in courts and subordinate institutions and organizations;

19) drafts proposals on material, social, and consumer support of workers of the Ministry, courts, and subordinate institutions and organizations, and submits them for the review of the appropriate organs;

20) organizes material and technical support of oblast courts, the Kiev city court, interrayon (district) courts, rayon (city) people's courts, and subordinate institutions and organizations; creates proper conditions for the performance of justice;

21) organizes planning and financial work, approves cost lists for courts and subordinate institutions and organizations and finances them; performs oversight over accounting and reporting;

22) submits, according to established procedure, proposals for plans for capital investments for the construction of buildings of courts, state notary public offices, and departments that record certificates of public registration and housing; performs oversight over this construction.

5. The Ministry of Justice of Ukraine, in the performance of the functions entrusted to it, interacts with other central organs of state executive power of Ukraine, organs of the Republic of Crimea, local state administrations, organs of local and regional self-administration, and appropriate organs of other states.

6. The Ministry of Justice of Ukraine has the right:

1) to receive from ministries, agencies, and other central organs of state executive power of Ukraine and scientific institutes and educational institutions conclusions on drafts of normative acts and other documents prepared by the Ministry as well as on statutes of associations of citizens and normative acts that are subject to state registration;

2) to enlist specialists of ministries and other central organs of state executive power of Ukraine and institutions and organizations, in coordination with their leaders, in the review of questions connected with the improvement of legislation, and to create working groups for the preparation of drafts of legislative acts of Ukraine and for the resolution of other questions that come under the jurisdiction of the Ministry;

3) to receive free of charge for the performance of the functions entrusted to the Ministry information on statistical and oversight organs on questions of application of legislation in economic activities of ministries and other central organs of state executive power of Ukraine;

4) to convene according to established procedure councils on questions that come under its jurisdiction.

7. The Ministry of Justice of Ukraine, within the bounds of its powers, issues orders on the basis of and for the execution of existing legislation and organizes and oversees their performance.

The Ministry, where necessary, issues joint acts together with other central organs of state executive power of Ukraine.

Decisions of the Ministry on questions of the commission of notary public actions and the recording of certificates of public registration issued within the bounds of its powers are obligatory for central and local organs of state executive power, as well as enterprises, institutions, and organizations.

8. The Ministry of Justice of Ukraine is headed by a minister who is appointed in accordance with the Constitution of Ukraine.

The minister has deputies who are appointed at his request by the Ukrainian Cabinet of Ministers, and he distributes duties among the deputy ministers and defines powers of structural subunits of the Ministry.

The minister of justice of Ukraine bears personal responsibility for the execution of the tasks entrusted to the Ministry and the performance of his own functions, and he defines the degree of responsibility of deputy ministers and heads of subunits of the Ministry.

9. For coordination of the decision of questions that are under the jurisdiction of the Ministry of Justice of Ukraine and the discussion of the most important directions of its activities, within the Ministry is created a board made up of the minister (head of the board), deputy ministers according to position and heads of structural subunits of the Ministry.

10. Members of the board of the Ministry are approved by the Ukrainian Cabinet of Ministers.

Decisions of the board are implemented, as a rule, by orders of the minister.

10. Scientific consultative and methodological councils made up of leading scholars and highly qualified specialists and practical workers are created under the Ministry of Justice of Ukraine for review of scientific recommendations and proposals with regard to improving the activities of institutions of justice and resolving other questions.

An interagency coordinational and methodological council, made up of representatives of appropriate central organs of state executive power of Ukraine and institutions and organizations, is created under the Ministry of Justice of Ukraine for purposes of coordinating the activities of state organs and other organizations in the performance of joint measures directed at elevating the legal consciousness of citizens and providing methodological support for legal education of the population.

The makeup of the consultative and methodological councils and their statutes are approved by the Ministry of Justice of Ukraine, and the makeup of the interagency coordinational and methodological council and its statute—by the Ukrainian Cabinet of Ministers.

11. The upper limit on the number of personnel and on the labor payments fund of workers of the central apparatus of the Ministry of Justice of Ukraine are approved by the Ukrainian Cabinet of Ministers.

The structure of the central apparatus of the Ministry is approved by the deputy prime minister of Ukraine.

The table of personnel of the central apparatus of the Ministry and statutes for its structural subunits are approved by the minister of justice of Ukraine.

12. The Ministry of Justice of Ukraine is a corporate person and has its balance sheet, accounts in banking institutions, and a stamp with a depiction of the coat of arms of Ukraine and its name.

[Signed] M. Khomenko, secretary of the administration of the president of Ukraine

Presidential Directive Confirming Statute

935D0042B Kiev HOLOS UKRAYINY in Ukrainian
13 Oct 92 p 2

["Directive of the President of Ukraine on the Statute on the Ministry of Justice of Ukraine"]

[Text] To approve the Statute on the Ministry of Justice of Ukraine, which is appended.

[Signed] L. Kravchuk, president of Ukraine
Kiev, 3 October 1992

Rukh Information Service Transmits First Radio Program

WS0611133192 Kiev KHRESHCHATYK in Ukrainian
15 Oct 92 p 5

[Report attributed to the Rukh Press]

[Text] The Information Service of the Rukh Secretariat released the first Radio Rukh program that included the information and analytical program titled "The New Council for Ukraine." The transmission was devoted to the pro-referendum campaign conducted by Rukh to elect a new Ukrainian legislature. The program features the events connected with the students' protests in Victory Square in Kiev and an interview with Volodymyr Chemerys, head of the Ukrainian Students Union, as well as analytical conversation with the historian Danylo Yanevski, lawyer Yurko Ayvazyanyan, and American political scientist Ivan Lozovy. Such a program is planned to be transmitted once per week.

IZVESTIYA Founds New Odessa Newspaper

93P50016A Moscow IZVESTIYA in Russian 5 Nov 92
Morning Edition p 2

[Report by Matvey Glebov: "SLOVO"]

[Text] The first issue of a newspaper called SLOVO has ventured out in Odessa.

In our troubled times it is really a risk - to start publishing a large format newspaper - and even more so one that is not erotic but carries the designation social-political. With the Odessa bureau of IZVESTIYA, the oblast administration, and the executive committee of the Council of People's Deputies taking the risk, Leonid Kapelyushnyy, our special correspondent in Odessa, has become editor-in-chief. For IZVESTIYA this is the first venture of this sort, for which the editorial board, we admit, has high hopes.

Border Troop Commander Discusses Frontier Protection

WS0611133392 Kiev SLOVO in Russian 14 Oct 92 p 1

[Interview with Major General V. Bondar, commander of the Southern Administration of the Ukrainian Border Troops, by Lieutenant S. Astakhov, officer at the Ukrainian Border Troops Press Center: "The Southern Border Is Reliably Protected."]

[Text] It was not easy to meet with the commander of the Southern Administration of the Ukrainian Border Troops. It is not because Major General V. Bondar avoids contacts with journalists. Had he a little spare time, he would have gladly given an interview, but Vladimir Nikolayevich is desperately short of time. There are nearly 2,000 kilometers of the border to protect; half of those—the Moldovan stretch—requires that the commander be present at the newly established frontier posts and checkpoints. Nonetheless, our meeting did take place on the eve of the first anniversary of the Ukrainian Border Troops.

[Astakhov] Vladimir Mikhaylovich, your Southern Administration was established only this year. What was the reason for its creation?

[Bondar] The Ukrainian southern border was left open after Romania and Moldova signed the agreement canceling visa requirements for their citizens. Some time later, an armed conflict broke out in the Dniester region. This is why, on 17 March, Ukrainian President Leonid Kravchuk issued the Edict on the Protection of the Ukrainian State Border with the Republic of Moldova. Indeed, the State Committee for the Protection of the Ukrainian State Border then began creating the Southern Administration. The goal was to bring the command closer to the field units, and to find a more efficient solution to the issue of servicing and supplying Southern Administration units.

[Astakhov] How would you describe the situation on the Ukrainian-Moldovan border?

[Bondar] As the Dniester conflict is burning out, the situation on the border has substantially stabilized easing public tension and ending the influx of refugees. Ukraine and Moldova have mutual respect for bilateral relations and that has had a beneficial effect on the border.

But this does not mean that border guards' responsibilities are reduced only to checking documents and keeping track of tourists traveling in and out of the country. After the fighting in the Dniester region ended, thousands of firearms were not turned in. There are people who want to smuggle things from Ukraine. At the checkpoints, hundreds of arms were confiscated, including machine-guns, submachine-guns, pistols, hunting rifles, thousands of cartridges, hundreds of knives and gas weapons, and many grenades. In addition, we are maintaining peace in the border areas and

guaranteeing law and order. The border guards arrested ten armed groups, and several criminals who terrorized the local population.

[Astakhov] It would not have been possible to set up new frontier posts and establish control over this troublesome stretch of the border in such a short time without help from the local residents.

[Bondar] Correct. Most people understand us and help us as much as they can. For example, inhabitants of Kodyma Krasnooknyanskiy, Razdelnyanskiy, and other oblasts provide our personnel with honey, milk, grapes, and fresh vegetables. Aleksandr Andreyevich Prokopenya, the president's representative in Reni Rayon, personally supervises the construction of the "Nagornaya" frontier post, and promises to do his best to have it ready by 4 November—the Ukrainian Border Troops Day. He also suggested that we share in the construction of an apartment house in the town of Reni, an allot ten apartments to our border guards. The biggest problem now is how to provide financial resources because we are desperately short of money.

Unfortunately, some administrators choose interests of their enterprises and institutions over the interest of the state. For example, in the village of Shershentsy we were charged 28 million rubles [R] for 20-30 year-old former school premises! But the troops are on the state budget, and everyone charging such large sums, is in effect cheating the public.

Here is another fact. The border is starving for means of transportation. Some things we receive from army units. In one such case, our examining commission did not accept a vehicle because it was in a bad condition, but the unit command loaded this "white elephant" on the train and sent it to us anyway. As many as half of the vehicles cannot be salvaged! We do not even have a repair shop.

As you can see, we have a lot of problems. The past months, however, have shown that the creation of the Southern Administration of the Ukrainian Border Troops is justifiable. With the passage of time, when the process of formation ends, and the Administration is given full responsibility, many of the difficulties will be solved much more easily and faster. After all, you yourself can see what needs to be done better.

ECONOMIC AFFAIRS

Kuchma Voices Economic Concerns

93UN0225A Moscow KOMSOMOLSKAYA PRAVDA in Russian 30 Oct 92 p 1

[Article by KOMSOMOLSKAYA PRAVDA correspondent O. Musafirova: "A Transition Cabinet? Ukraine Is Making a Third Attempt To Install a Government"]

[Text] Kiev—The operation to form a new staff of the government of Ukraine, or more exactly to replace those

ministers who have finished their work, transpired if not painlessly then at least quickly. While in parliament votes were being cleared at the microphones, as they were getting ready to discuss possible members of the government at great length (the vacancy of minister of agriculture alone brought 14 candidacies to life), the initiative was seized by the new premier, Leonid Kuchma. He proposed a fascinating thing. Specifically: He will assume complete responsibility provided the deputies vote for the list of people needed by him, the premier. "The press is already calling me a kamikaze. But I am a kamikaze who likes to live," noted Leonid Danilovich.

The deputies did not persist. Amicably, with 286 votes "for," the appropriate decrees were put into effect resulting in a Cabinet of Ministers for a transition period. The distinctive feature of this cabinet: It does not irritate the diametrically opposed political forces. It is true that the president, who literally until the very last day announced his own sympathies for Vitold Fokin, is hardly likely to smother Leonid Kuchma with the friendly embrace of "partner." On the other hand, Vyacheslav Chornovil, the leader of the irreconcilable opposition, will not start calling "to swamp" the government literally from its first day. "We will support the Cabinet of Ministers even though it is not a coalition cabinet, inasmuch as the premier himself is ready to answer for everyone," that is the way the cochairman of Rukh [People's Movement for Perestroyka] emphasized his position.

Thus, after passing through a gamut of passions, the new government of Ukraine reached the shore of power. Who ended up in it? Twenty-one ministers from the former team. In addition, former autonomous entities were raised to the rank of ministers and consequently are subordinate to the premier—the chairman of the State Property Fund, the chairman of the Antimonopoly Committee, and the chairman of the board of the National Bank of Ukraine.

But the ruling clique of the cabinet underwent the principal structural and qualitative changes. Igor Yukhnovskiy became a first vice premier—he is an academician, the former chairman of the parliamentary People's Council, a former candidate for president of Ukraine, and subsequently a state adviser to the president.

There are five who are simply vice premiers. Forty-four-year-old Vasiliy Yevtukhov is responsible for the success of industry and construction. He has an image among the industrialists—before becoming a deputy in the Supreme Soviet of Ukraine he worked in Krivoy Rog in the Communist mining equipment plant. Apparently it is he who will become the right hand of Premier Leonid Kuchma, inasmuch as both are for the development of the economy of Ukraine along the Chinese path: technological policies and the accelerated output of its own products instead of imports.

Vladimir Demyanov headed the presidential administration in Zaporozhye Oblast. It is interesting that the oblast figured in the autumn statistical reports as one of the most persistent nondeliverers of grain to the state. Inasmuch as the land question remains one of the unresolved and contradictory questions for the premier himself, it can be assumed that Vice Premier Demyanov, the curator of the agro-industrial complex, will also not begin to hurry to distribute land to the farmers. It is more likely that he will attempt to bring them together with the kolkhozes.

The young scientist Viktor Pinzenik, vice premier for economic reform questions, the minister of economics, is well known for his radical views and intentions to bring in colleague Grigoriy Yavlinskiy for development of the market program. Yuliy Ioffe, in the past director of the production association Stakhanovugol, will work on problems of the fuel-energy complex. In the position of deputy he did not show himself to be a great politician. Academician Mikola Zhulinskiy, a member of the State Duma, a state adviser of Ukraine on humanitarian questions, will continue this line of work in the vice premier arena.

Three vacancies still remain in the ministerial ranks: culture, construction, and agriculture. Obviously Premier Kuchma simply got dizzy from the multiple variations.

If it is assumed that the Ukrainian government has stopped being a homogeneous nomenklatura mass and in significant measure shares and supports the views of the premier, it can be predicted what the cabinet will work on in the near future. Judging by everything, the first document will be devoted to the social protection of the population. It is possible that the theses of the speech of Leonid Kuchma to the Supreme Soviet on 27 October will become the program of actions. The premier for the first time, showing his hand, declared that he "cannot resign himself to a fifth authority," and he emphasized that even during the short period of his work with the Cabinet of Ministers he found cases of "a total plunder of the state" going on from inside. As the premier, he reported that, it seems, Ukraine is supplying energy sources to Canada, Italy, and even the exotic Bahamas and Gibraltar! Moreover, the earnings from the export of energy sources for nine months amounted to \$160 million, but all told only \$40 million got into the treasury.

Leonid Kuchma also intends "to put an end to the cold economic war with Russia." "Russian will begin to treat us as an equal partner only when Ukraine becomes an economically strong state," he believes.

As Ukrainian political scientist Daniil Yanevskiy thinks, this is the third and possibly last attempt of society to verify the sincerity of the intentions and earnestness of the abilities of the government. The first, the example of autumn 1991, was associated with parliament; the second, the spring of 1992, with the genius of the

president. Now the Cabinet of Ministers has accumulated both presidential and parliamentary ideas, and ideas standing alone, which were in the end transformed into a vital organism. If it does not engage in self-abasement and wear itself out in power policy, knock on wood, economic reforms and various long-awaited matters cannot be ruled out. Although the skeptics reiterate that when Fokin's government was "a new broom," he was also liked, and there were cries of "viva!"

Incidentally, about Fokin and his immediate circle. Pensioner Vitold Pavlovich departed the other day on a Mediterranean cruise, where he celebrated his 60th birthday. Ex-First Vice Premier Konstantin Masik is preparing to be ambassador to Finland. As informed sources assert, he has already obtained an excellent detached building for an embassy in the rocky country of Suomi—there is still energy... But things were least favorable for ex-First Vice Premier Valentin Simonenko. He did not become premier, although he was among the candidates, and until the very last he sat alone in the first row of the velvety loge. Regarding work, he is completely vague...

Minister's, Bank Chairman's Monetary Reform Plans Viewed

AU0211120092 Kiev DEMOKRATYCHNA UKRAYINA
in Ukrainian 24 Oct 92 p 2

[Report by Vitaliy Lukyanenko: "We Have a Negative Balance, But Our Prospects Are, as Always, Positive"]

[Text] On Thursday [22 October], Ukraine's delegation, headed by Leonid Kuchma, held negotiations in Moscow with the Russian Government. Their goal was to further develop and specify the agreement that had been signed by [Yegor] Gaydar and [Valentyn] Symonenko [former acting prime minister] in Kiev. It was expected, in particular, that the negotiations would accelerate mutual repayment of debts among economic subjects of both states and would specify the state debt and the conditions for repaying the collective external debt of the former union.

This was the subject of the news conference held by Ukraine's minister of finance Hryhoriy Pyatachenko and chairman of the National Bank Vadym Hetman.

Russia's Response Is Civilized

This was Mr. Hetman's assessment of the tough terms for correspondent interbank relations introduced by the neighboring state in response to the uncivilized money issuing processes in Ukraine. He referred to the increase of wages as the main trigger for inflation.

Unfortunately, today it is impossible to infer a normal balance of interstate settlements, but according to the analysis conducted by Ukraine's National Bank, the sweet song about Ukraine's huge export possibilities that was sung on the eve of independence has only left a bitter aftertaste.

Russia insists that the balance reflected in its bank accounts alone must be regarded as state debt—for us, it constitutes a negative sum exceeding 400 billion [currency not specified]. Ukraine, for its part, suggests that the balance be reassessed among subjects of economic activity—for us, it is positive and amounts to about 300 billion [currency not specified]. It appears that the sides agreed to infer the balance from the two approaches.

Our Debts... Are They Ours?

Ukraine does not agree to the "zero" variant of resolving the problem of the former Union's external indebtedness: no debts and no assets. Ukraine's position here is firm: Our state agrees to tackle the question only regarding assets on which to this day there is no information. Ukraine must be given its share in the collective debt, and creditors must be appointed to it. The state will maintain civilized relations with them.

Regarding the credits granted to Ukraine to enable it to join the IMF, Mr. Pyatachenko suggested that there is no need to worry: Neither we nor our children will have to repay this amount. The credits are permanent and interest-free. At the same time, he assured that both the World Bank and the European Bank for Reconstruction and Development (the main "donors" of credits) that are favorably disposed toward Ukraine have realized that shock therapy is not suitable for us and are only asking us to elaborate a single state program for economic reforms instead of entertaining ourselves with impracticable projects. It is known, however, that experts of those same international financial organizations warn that Ukraine has approached the borderline of hyperinflation. Their opinion was refuted by the chairman of Ukraine's National Bank: As far as he is concerned, hyperinflation is inflation that exceeds 50 percent a month, and we only have 30 percent. Very reassuring, indeed. Especially considering that, according to Mr. Hetman's estimates, Ukraine is capable today of having a positive currency balance at the level of between 5 and 6 billion rubles. It is only necessary, he said, to overcome the "lobby in the parliament" that prevents the Law on Currency Regulation from being adopted.

The Advent of the Hryvnya Is Near at Hand

Today, it is no longer a secret that the Ukrainian currency—the hryvnya—has been brought into Ukraine in full amount. Metal coins will soon also be delivered to bank depositories.

How long will they remain hidden from the light of day? To what extent will they be able to halt the inflation processes? It appears that Ukraine's National Bank has its own program for such stimulation and has started implementing it. It could be inferred that the main points of the program lie in limiting the growth of wages and halting the crediting of the budget.

Ukraine's National Bank chairman believes that monetary reform will be futile and unnecessary if the economic decline prevails. Notwithstanding this, preparations are under way, and the introduction of the noncash Ukrainian ruble [karbovanets] is a model of monetary reform. What is it? An attempt was also made at the news conference to explain this. Here is an approximate explanation: The coupon is a plenipotentiary representative, in the cash circulation, of the noncash national currency—the "Ukrainian karbovanets." Specialists seem to understand this.

We, ordinary mortals, will also understand this by the end of the year when the ultimate withdrawal from the "ruble zone" may occur.

Speculation Over Former Polish Vice-Premier Role in Ukraine

93UN0208A Moscow ROSSIYSKIYE VESTI in Russian
29 Oct 92 p 1

[Article by V. Kiryanov: "Will It Be Possible to Export Baltserovich"]

[Text] Under that heading the newspaper ZHICHA VARSHAVY reports on the visit of former vice-premier of Poland Leshek Baltserovich to Kiev and Lvov at the end of last week.

The newspaper's irony becomes understandable inasmuch as in Ukraine the Polish guest expressed himself not only at the level of an instructor from one of the higher educational establishments of Warsaw where he is currently a lecturer. The need to take into account lessons in the building of the Polish free market as well as all the successes and defeats in that process were pointed out to Ukrainians, as many are assuming, by the future adviser to the government of Ukraine on economic issues. Baltserovich himself, it is true, did not want to confirm or deny the "export deal" that took place. He firmly promised, however, to visit Ukraine again in the very near future.

Perhaps to assume his new post? It is also important not to exclude the possibility that his portfolio will turn out to contain something for Ukraine similar to the famous "Baltserovich Plan" which launched the Polish reforms. By the way, after the vice-premier withdrew from the political arena shrewd tongues over here insisted that Baltserovich did not create any "plan" at all. Allegedly he was just given a file by western economists with a selection of recipes.

It is necessary to admit that "the Baltserovich problem" has recently been losing the interest of Polish society. A confirmation of that is the very modest coverage of the visit in Poland itself, which went practically unnoticed. The interest in Baltserovich in Ukraine is a sharp contrast to that.

Will there be any benefit derived from the advice without which it would be difficult to fit Ukraine into

"the Poland mold"? The Poland in which, for some reason, it was decided to do without the advice of Baltserovich.

Bank Official on First Ukrainian International Bank

93UN0208C Moscow DELOVOY MIR in Russian
13 Oct 92 p 5

[Interview with V. Sukhoteplyy, office manager of a branch of the First Ukrainian International Bank by T. Sadoshenko in Dnepropetrovsk; date not given: "First Ukrainian International Bank Opens Branch in Dnepropetrovsk"]

[Text] Vladimir Sukhoteplyy, the branch office manager, answers questions from a correspondent of the "Delovoy Mir" South Ukrainian Press Agency.

[Sadoshenko] Vladimir Timofeyevich, a few words, please, about the FUIB—the first international bank in Ukraine.

[Sukhoteplyy] The American AIOC [expansion not given] Corporation has been actively trading with "Azovstal" for a number of years as well as with numerous enterprises in Donetsk Oblast. This collaboration was mutually beneficial. Our American partners, however, had to devote considerable effort in order to obtain the earned foreign currency. Collapse of the Soviet Union and the appearance of independent states on its ruins, unfortunately, did not bring about order within the system of financial accounting among the partners.

The corporation concluded that under such conditions its reputation was suffering. AIOC specialists arrived in Ukraine in order to make an on-the-spot study of the situation and invited specialists from the Dutch Bank Mees and Hode. By the way, it is the oldest bank in Holland having been in existence for 272 years and serves as the official consultant to the National Bank of Ukraine on questions concerning reorganization of the banking system.

After studying the situation locally, particularly our banking system, the Dutch reached a verdict: "You cannot teach an old dog new tricks." In other words it is necessary to create a new independent bank. Inasmuch as the American corporation is interested in being present in the south of Ukraine it was the one appearing with such an initiative.

[Sadoshenko] Who, beside AIOC, became the founder of FUIB?

[Sukhoteplyy] Bank Mees and Hode, and on our side—"Azovstal," the Azov Sea Steamship Company, the Zasyadko Mine Shaft, and the Donetsk Promstroybank.

[Sadoshenko] Reputable firms?

[Sukhoteplyy] Yes indeed. Appearance of the FUIB is a peculiar expression of protest by the largest enterprises of Ukraine against the existing highly unwieldy banking system.

[Sadoshenko] What is the location of your bank?

[Sukhoteplyy] The office is located in Donetsk. A branch has recently opened in Kiev and now in Dnepropetrovsk. In the near future branches will open in Zaporozhye, Odessa, Kharkov, and Crimea.

[Sadoshenko] In other words you will be covering the southeastern part of Ukraine which is the most industrially developed region of the republic.

[Sukhoteplyy] This defines our specific character—we work only with enterprises and organizations and only with foreign currency.

[Sadoshenko] What does this work involve, Vladimir Timofeyevich?

[Sukhoteplyy] Our bank has a license for the conduct of all foreign currency operations on the territory of Ukraine. I am referring to cash payments, noncash transactions, purchase and sale of foreign currency, preparation of letters of credit, etc.

[Sadoshenko] Many banks now have licenses for the conduct of foreign currency operations, including some in Dnepropetrovsk. How does your bank attract clients?

[Sukhoteplyy] FUIB has a direct satellite-telephone link with Amsterdam where the Bank Mees and Hode is located. The Dutch bank, in turn, is linked by computer network with all banks of the world operating within the "Swift" system.

[Sadoshenko] Not everyone knows what "Swift" is.

[Sukhoteplyy] It is a form of electronic banking mail. All international accounting—in 48 hours. In other banks this takes a month at best. I will site the following example. A firm that came to us was unable for two months to receive a significant sum in dollars from its partner in Cyprus. That firm became our client and in two days received the foreign currency, while in three days it was able to settle the account with its foreign supplier which it could not do for two months.

Inside Ukraine we accept payments by fax.

[Sadoshenko] It seems a client does not even have to come to your bank.

[Sukhoteplyy] Only to obtain foreign currency in cash or for negotiations.

[Sadoshenko] Let us assume an enterprise wants to become your client. You will offer it...

[Sukhoteplyy] Any services connected with international trade and banking support. FUIB is the only bank in Ukraine whose letters of credit are accepted by foreign

banks and companies. Our letters of credit are guaranteed by the Dutch bank. I believe that specialists appreciate that fact.

[Sadoshenko] Judging by everything your bank will become a serious competitor of all the other banks. Are you afraid that someone may not like that?

[Sukhoteplyy] I myself asked the Dutch the following question: FUIB—for how long? The Dutch replied: "The Bank Mees and Hode did not come here to undermine its reputation. Therefore we will do everything possible in order for the FUIB to become a truly international bank." Our foreign partners are investing not just money but also technology, equipment, experience and, if you like—a philosophy of the banking business.

[Sadoshenko] Can a private individual open a foreign currency account at your bank?

[Sukhoteplyy] So far we are working mainly with legal bodies.

Contact telephones: (044) 291-87-41 (Donetsk), (0562) 44-72-86 (Dnepropetrovsk).

Customs Border Between Ukraine, Russia Established

93UN0208B Moscow KURANTY in Russian 15 Oct 92
p 4

[Article by A. Kirillov: "The Customs Service Has Thus Far Been Kind"]

[Text] A mare pulling the cart was plodding wearily from the Belgorod side in the direction of the state border. At an intersection marked by the presence of a GAI [State Motor-Vehicle Inspectorate] agent and a customs official, the peasant gave a friendly wave from his cart and, snapping the reins, headed for Ukraine. He knew: "The customs service has thus far been kind."

The date of 1 October was a special one in relations between Ukraine and Russia. A customs border was established between the two sovereign states. From now on all freight transported from the Russian Federation to Ukraine, and vice versa, is subject to customs processing.

In Belgorod Oblast, which borders on Kharkov and Sumsk oblasts on the Ukrainian side for 511 kilometers, this news caused a lot of talk. Where are visas to be obtained? Are goods exported from independent Ukraine subject to customs duties? What can now be transported in general? Who can be visited? For how long? For what purposes?

Vladimir Dankov, chief of the Belgorod customs office, is used not to be surprised at anything. The rapid creation of customs borders as well did not constitute a discovery of America for him. As he pointed out in our case it is customary to first issue orders and then prepare for their fulfillment. For example, it was decided to man

the border as of 1 October. But with whom? Yes, provisions were made to hire 150 more personnel for the oblast customs service. But where are they to come from and how can they be trained? Finally, how to handle people who have become used to "crossing the border" several times every day and have no information on the existence of a border? It was specifically in the first few days that misunderstandings occurred between the customs officials who had the new rules for crossing of state borders by freight and individuals accompanying it who have never heard about the new rules. Thus far there were no instances involving open clashes but the sides were pushed to the very brink on more than one occasion.

Yes, Dankov does believe that the current measures were brought about by life. Since the beginning of the year Ukraine has not concluded a single transit agreement with Russia, neither did it sign an agreement on the principles of customs policy with former republics of the USSR. The freight continues flowing. It is flowing in very large volumes. No sovereign state, naturally, can passively observe the draining of its own resources. Therefore the decision that was adopted concerning establishment of a customs border with Ukraine is nothing other than a retaliatory measure. After all, it is known that spot inspections of even passenger trains on the contiguous territory are not such a rarity. Why should it be unilateral?

Departing on assignment at the border, I confess, I expected to see something different. I believed that if the "iron curtain" as such has not yet been created, its shadow would certainly be creeping over formerly wide open spaces. I found, however, that there is not even a hint of that. Thus far even freight trains and trucks are only spot checked. First of all, it is physically impossible to carry out thorough control. Secondly, normal human psychology holds sway among people with relatives on both sides of the border. Almost half of the customs officials are married to "representatives of the sovereign republic," and a majority have close relatives on the other side. What is one to do now? Inspect the suitcases and bundles of dear guests in full compliance with the regulations? That is ridiculous and sad.

But, I repeat, thus far the customs service is kind. There is not even any talk of checking private passengers on the Russian side. Some day, according to the chief of Belgorod customs service, we will be coming to that. He estimates that by November passengers as well will be completing customs declarations for their baggage, but at present main attention is devoted to the proper documentation of freight. No problems with documents—go ahead and move the freight as you wish. If there are suspicions, however, then work begins.

The Gotnensk Post is one of the locations of the Russian customs office in Belgorod Oblast. It is responsible for 51 kilometers of the border. The staff includes 43 people plus 28 from the Ministry of Internal Affairs. We will say

quite frankly that this is not enough since beside the vehicular post it is necessary to take care of the railroad as well.

A small-size new vehicle, allocated for this section because of "the more difficult mission," became the principal means for reinforcing the border by 1 October. But the local chief Aleksey Bilash was happy even with that gift from fate. A lot of travelling has to be done in the area as the various posts are not close together, and there is more than enough confusion everywhere.

At the top they were in such a hurry, Bilash said, that some of the border crossings were removed from the list of those in use together with the agents. The situation is not very good for the customs officers either. Let us say a peasant is transporting slate from Russia to Ukraine. He is stopped and requested to show his documents for the goods. Naturally he becomes indignant, saying that the goods were purchased with his own money. The customs officer shows him the paper he must have but the peasant does not care about any paper since his goods will be confiscated anyway. Of course it would be possible to close one's eyes in such cases except that they happen several times a day. In Russia a piece of such slate can be bought for 58 rubles, whereas in Ukraine it costs a minimum of 120 - 150 rubles. If one calculates that on a single trip it is possible to make a profit of 100,000 - 120,000 rubles, after making ten trips we are talking about a million.

The Kutnensk inspection point for motor vehicles was created before me. A small railway car was positioned about 20 kilometers from the official border at the intersection of three roads, it was circled with concrete slabs, a wooden awning was installed and, in addition to the customs official, it was also staffed by a railroad worker in the person of Vladimir Vishnyakov, head of the track patrol service.

Why are we not on the border itself? He asks again. Hidden from prying eyes. We have been around for so long but never thought about "borders," now here they are. Almost every other driver these days has no idea at all about the existence of some kind of customs service between Ukraine and Russia. On that side, of course, such a practice was introduced a long time ago. But "there" the function of customs officers were delegated to representatives of the Ministry of Internal Affairs. By the way, their post was also hidden away. Some consideration was shown—anything could happen? Life today is unpredictable but common sense has not been lost. Many among us, by the way, believe that everything will eventually return to the way it was.

In the meantime fuel, building materials in large volumes, as a rule without appropriate documentation, are being seized at the posts. They seize them and puzzle over what to do with them. According to the rules the goods may be held for 14 days after which they may be sold. Where are they to be kept all of that time? Up to now this has not been resolved. Still there are chances

that solutions exist. It makes sense for the customs officials to conduct the service in an economically feasible manner. Fifty percent of the value of seized goods goes into the local budget and a fourth to whoever detained them, and another 25 percent are credited as unplanned customs revenues. The state does not suffer either—300 percent of the value of confiscated goods in the form of fines are payable to it by whoever violates the border. It is due, yes, but whether it is paid is a big question. There is no legal regulations among the contiguous states therefore it is possible to use up kilograms of paper on correspondence with representatives of Ukrainian authorities and still not receive compensation for violation of established customs rules.

There is always room for romanticism at the border and Gotnensk Rayon is no exception. Aleksey Bilash does not conceal his belief that it is at the very least premature to speak about full closure of borders of the homeland at this time. For people with some familiarity with the local area to bypass the customs stations using country roads is very easily done. Country roads aside, it is also possible to "negotiate directly" with the customs office. There is no reason to conceal the fact that the average wage of an inspector does not exceed two-and-a-half thousand rubles. At the same time they are people some of whom might not be able to resist real offers from that slate or gasoline transporter. A single such "offer" might be as large as a year's wages. It is true that preparations are now being made to change the status of customs officials the idea being to equate them with Ministry of Internal Affairs workers. The wage will increase and sidearms will appear which is not superfluous under present-day conditions. That was already proven within a short period of time in practice. Thus far—everything is in the future. How distant—no one knows.

Work of Association To Facilitate Transport of Foreign Trade Goods Viewed

93UN0212A Kiev *RABOCHAYA GAZETA* in Russian
25 Sep 92 p 2

[Interview with Ivan Alekseyevich Likhodey, general director, "Ukranshtrans" Association, by A. Poltavets; place and date not given: "Where Does Ukraine Lose Currency?"]

[Text] It is well known that the transport of foreign trade goods is of very great importance in foreign economic ties. The influx of currency into the budget and the image of those persons participating in foreign economic activity depend upon the speed of their delivery, preservation and storage, rate levels, fulfillment of contract conditions, correctness and timeliness in turning over the appropriate documents to the bank for foreign accounts.

In order to organize the transport of foreign trade goods in the former Soviet Union, a system of organizations was set up in the Ministry of Foreign Economic Ties, Ministry of Railways, Ministry of the Merchant Fleet, and Aeroflot.

With the disintegration of the Soviet Union, the previously existing system also broke up, and all the organizations professionally engaged in these matters were "inherited" by Russia. Therefore, the Ukrainian Ministry of Foreign Economic Ties adopted urgent and timely measures on these matters. Thus, last year witnessed the creation of the "Ukranshtrans" Association, which has the duty of providing aid to participants in foreign economic ties with respect to organizing the transport of goods, protecting their interests along the entire route followed, expanding ties with foreign agents, and proceeding on the basis of Ukraine's state interests.

I requested I.A. Likhodey, general director of the association, to tell us about its first few steps.

[Poltavets] Ivan Alekseyevich, you worked for many years in Afghanistan; you have visited many countries in Europe; and you have a good knowledge of the work done by an international expeditor. What can you tell us about providing for the turnover of foreign trade goods in Ukraine today?

[Likhodey] First of all, let me say that I am annoyed at our young state. Because, you know, Ukraine is a transit type of country due to its geographic position, and in former years almost 80 percent of the freight turnover of the CIS countries used to pass across its territory. These days the situation has sharply worsened. Together with objective factors—the decline in production and the lack of currency—there has been a sharp fall-off in the volumes of hauls on railroads and in seaports; freight and cargo turnover has been cut almost in half.

And normative documents regulating foreign trade hauls have ceased to function. In Ukraine the transport organizations set their own rates on hauls, loading, and unloading. But in a number of cases these rates are noncompetitive; they do not correspond to the international level. And this is one of the basic reasons for the outflow of goods from Ukraine—a factor which entails a loss of currency. We are also very disturbed by the fact that Russia is using the old ties in a monopolistic manner, without taking Ukraine's interests into account: it carries on secret or "hidden" transit and settles its accounts with us in rubles rather than in currency. There is a lack of appropriate legislation which would protect Ukraine's interests. Thus, in Krivoy Rog "Soyuzvneshttrans" in the construction of the military settlement there received currency from its foreign partners for delivering goods to the project or facility, whereas the Ukrainian haulers were paid in rubles. And the difference is very tangible. During the second half of 1991 alone "Soyuzvneshttrans" was scheduled to receive about 5 million German marks, while accounts were settled with the Ukrainian haulers for 3 million rubles.

[Poltavets] Just what do you see as the way out of the situation which has been created here?

[Likhodey] Ukraine has taken jurisdiction over 12 enterprises from the former "Soyuzvneshttrans," and they have been integrated into our association. And now we

must create a broad, extensive network of agencies abroad so that goods may travel from "portal to portal" both ways; we must organize protection for the interests of the goods owners over the entire route being followed. Taking into account the lack of funds for maintaining our own agencies abroad, I consider it necessary to solve the problem of creating such a network by forming a joint-stock company with world expeditor investment firms. That would allow us—without drawing upon funds from the budget—to set up a network of agencies which would—in the name of this company—protect the interests of the Ukrainian goods owners and haulers. By using investments, we would carry out the retooling of enterprises, and this would allow us to "plug in" to the computerized data banks of the world's countries. In the future this would enable our partners to work more closely with each other in the world market of transport-expeditor services.

[Poltavets] But what do you have at your disposal nowadays? What kinds of transport-expeditor servicing of foreign trade goods can you offer?

[Likhodey] As I have already stated, at the present time 12 enterprises have been integrated into the "Ukrvneshttrans" Association, which has been called upon to coordinate the work of its members in solving the problems of shippers and consignees. All the enterprises have been outfitted with computer and organizational equipment, and they have been deployed at seaports and river ports, as well as at railroad border-crossings. They are in Kiev, Odessa, Kherson, Mariupol, Berdyansk, Lvov, Chop, Reni, Izmail, and other places.

These enterprises have been working for many years in the field of expediting goods, and they are capable of becoming bases for creating a transport-expediting system for protecting Ukraine's economic interests. Our specialists have acquired specific experience in transport-expediting services by working abroad in firms and joint-stock companies.

We already have the possibility of providing for the haulage of goods by various types of transport from Ukraine to any country in the world. We are successfully delivering courier mail throughout the world, as well as documents, and small batches of industrial samples and models. By cooperating with world firms, we are intensively conducting work on entering the work market for expediting services. Thanks to contractual agreements which we have signed with foreign partners, we are now capable of shipping motor vehicles of Ukrainian motor-vehicle haulers from all the European countries and offering them a complex of services for their drivers: refueling and paying the expenses of their business trips. The enterprises of our association also carry out the declaration of foreign trade goods, the chartering of ship tonnage (including foreign tonnage), insurance, hauling goods by our own and hired motor-vehicle transport, warehousing and storage in other facilities. We strive to protect Ukraine's interests with the help of expanding the network of our partners. And it should be noted that

already today many of them are working intensively to attract goods to Ukrainian transport.

[Poltavets] And just what is hampering you in your work?

[Likhodey] First of all, the lack of normative documents with regard to hauling goods, and this complicates the work of the expeditors. Ukraine also lacks a law on transit; there is no precise regulation of rates nor quality control on export-import deliveries; nor has the problem of issuing transit permits been solved. And, you know, an expeditor must organize the delivery, unloading, storage, insurance, and chartering of rolling stock. He must protect the interests of his client over the entire route; then he will be necessary to the client. Moreover, an international expeditor must calculate, recommend, and provide for the haul with the minimal expenditures as may be advantageous for his own country and taking into account the interests of his clients. You know, for example, in its own time "Soyuzvneshttrans" made savings of 25-20 million rubles merely on discounts on foreign transport rates. And we too also intend to operate on a high professional level.

[Poltavets] What kinds of relations does your association have with the transport organizations which carry out foreign trade hauls?

[Likhodey] We maintain close ties with the Ukrainian State Railroad Administration, with Ukrainian Airlines, the Seaport Association, the Ukrainian River Fleet, and a number of foreign firms. We build our relations on mutually advantageous terms, and we try to be useful to each other.

[Poltavets] And just what are your association's future prospects?

[Likhodey] Ukraine has great possibilities for increasing its currency revenues to the budget by correctly organizing the system of transport-expediting service and by attracting goods to its national transport. And today, at the behest of the president, we participated in drawing up a draft Edict on measures to improve the transport-technical servicing of foreign trade goods for Ukraine.

Let's hope that its adoption will greatly change for the better the situation which has evolved.

More Than 135 Tonnes of Metals Confiscated in Illegal Export Attempts

92UN2039D Moscow NEZAVISIMAYA GAZETA
in Russian 25 Aug 92 p 6

[Article by Nega: "Silver Confiscated"]

[Text] The Donetsk branch of the National Bank of Ukraine enlarged its reserves of valuables by 4.5 kilograms of silver. A Vietnamese woman, Nguen Thi Thu Lan, having finished her term of contract at the Donetsk wool combine, attempted to export out of the republic 4.5 kilograms of silver ingots worth 450 thousand rubles.

According to Boris Khlevitsky, chief of the Security Office Administration of Ukraine, Donetsk region, nickel, copper, and aluminum weighing more than 135 tonnes and worth more than R70 million in 1991 prices, was confiscated since the beginning of the year in attempts to steal and illegally export from the territory of Ukraine.

State of Sugar Industry Examined

93UN0210A Moscow IZVESTIYA in Russian 30 Oct 92
p 2

[Article by N. Lisovenko: "Life Is Not Sweet as Sugar, Especially When It Is Not on Our Tables"]

[Text] **Sugar rescued the economy of Ukraine this year. With it the republic bartered for petroleum, mining timber for Donetsk mines, natural gas, as well as other resources it needed.**

In the best times for the sugar industry in the USSR there were 321 refineries operating in the country which annually produced 10 million tonnes of products, including four million out of sugar cane received from the Island of Freedom. For a number of reasons most of the deliveries have stopped but Ukraine continues producing the five million tonnes of beet sugar a year at its 192 refineries just as it did previously, while the per capita consumption of 32 kilograms, is the highest in the world (in the U.S.A. only 16 kilograms are consumed per capita, but, it is true, no homemade liquor is produced there.)

All-round difficulties disrupted the republic system of food supply and at present people are asking just one question—will there be any bread? But there is also another question of equal importance—will there be any sugar?

Arnold Kavun, deputy director of the largest sugar combine in the CIS at Lokhvitskiy, complained:

What a nightmare this is! We load a standard boxcar with 1,450 standard sacks of sugar, seal the car, and release it to the railroad personnel, and in a few days the freight consignee sends us a report that we failed to deliver him 10, 20, and sometimes 50 sacks. In other words the railcars are pilfered en route. It is almost necessary to post a sentry with an automatic weapon. But where could we find that many soldiers?

It is true, sugar has become a currency both for Ukraine and the entire CIS. Just two years ago a tonne of granulated sugar cost the plant 150 rubles, while now it costs 35,000. Then it was available in stores at 78 kopeks a kilogram, whereas at present it fetches as much as 78 rubles which is considered to be cheap since in some of the other republics it is sold for 150 rubles.

Specialists believe that from 2.8 to 3 million tonnes will be needed in Ukraine this year for domestic consumption. Therefore the rest may be used in foreign trade

mainly with the Russian market with almost half-a-million tonnes going for barter transactions.

Ukrainian sugar, naturally, attracts consumers not only from Russia but from other CIS countries as well, particularly the ones in Central Asia. In addition to that, as indicated by the 83-year old engineer Anatoliy Ponomarenko, who in the thirties and forties had to organize the sugar branch in Central Asia, the Kirghiz, Uzbek, and Kazakhs failed to utilize (or were prevented from utilizing) unique possibilities which opened up for beet cultivation in Chuyskaya Valley, Semirechye, and the irrigated deserts. As a result the small sugar refineries built there have been all but lost...

In Moldova, Kuban, and the Voronezh, Kursk, and Belgorodsk oblasts the sugar branch appears to exist, but one cannot say that it is flourishing. The enterprises have low capacities and are mainly of a pre-October vintage. In any case they provide meager rations even for their own population.

By the way, even in Ukraine itself there is nothing to brag about. Let us make the following calculation. All countries of the European Community now allocate 1.8 million hectares for sugar beet crops, harvesting 15 million tonnes of sugar off that area. The Ukrainian sugar beet field is of the same size (and it is also located in a better soil and climatic zone) but only five million tonnes of pure sugar are harvested on it per year. We compare: 15 and 5 million!

There is just one reason for such a contrast—the technical and technological backwardness of the branch. In Shpolyansk Rayon of Cherkassy Oblast attempts were made to use French machines and chemicals—which doubled the yield even in the current rather arid year. At the same time the plants were not damaged and their rotting was not promoted. In other words, utilization of French technology in beet cultivation alone could give Ukraine, and consequently the CIS economic space, an additional three million tonnes of sugar (I will stress that this would not be beets, which various farms have learned to pump up by excessive introduction of liquid nitrogenous fertilizers, but specifically sugar.)

It is also possible to achieve a significant increase of this valuable product by a more thorough processing of the raw material. The sugar extraction coefficient at the refineries currently amounts to 65 percent in the republic, while in France, Denmark, and Austria it fluctuates between 82 and 84 percent.

While in attempting to deal with weeds on the beet plantations, because of the shortage of herbicides, we are still employing the feudal method involving total mobilization of the population capable of wielding a hoe, the situation is even worse with the technical rearmament of the refineries. Productive capital in the branch as a whole is 75 percent worn out. Enterprises have no available money. Our machine builders, who for the

most part worked for the defense industry, today cannot offer the sugar workers a single piece of machinery that meets world standards.

At the Lohvitsa Combine attempts are now being made to conduct a radical reconstruction with the involvement of foreign technology. Some of the other plants as well, utilizing their right to use sugar to barter, carried out repairs, and petroleum products were obtained, along with lumber. It is still necessary to resolve strategic problems of the branch—they must be resolved not only with "internal" forces, but by chemists, machine builders, scientists, and representatives of many other branches of both Ukraine and the CIS.

At one of the sugar refineries I was told that it was recently visited by a delegation from Central Asia which was seeking a suitable model of a small sugar refinery that could be operated in its area. It is, of course, up to the sovereign republics to determine what path they wish to select to attain abundance. But that republic would have probably gained more if it invested its foreign currency today in one of the Ukrainian enterprises and would then receive sugar as compensation. It appears that this path is also advantageous for such foreign currency magnates as "Yakutalmaz," "Krasnoyarskles," and "Vostsibzoloto." One way or another they will be

clients of some sugar firms—either French or Ukrainian ones. Is it not better if they are Ukrainian?

It is possible to hope for assistance coming from far beyond the border. But the nearby neighbors are closer

Agricultural Crime, Seizure of Narcotic Materials Reported

92UN2039E Moscow NEZAVISIMAYA GAZETA
in Russian 25 Aug 92 p 6

[Article by Nega: "Grain and Fruits Are Stolen"]

[Text] According to the information from the center of public relation of the Ministry of Internal Affairs of Ukraine, 916 agricultural crimes were reported during the harvesting season. Of those, 723 were for the theft of grain, 163 for the theft of vegetables, fruits and fodder, and 87 for the theft of petroleum products. There were 1960 people arrested for these crimes. The complex operation of "MAK.92" continues on the territory of Ukraine. Last week 776 people were arrested for selling narcotic materials that come primarily from western Ukraine. More than 1.5 tonnes of poppy stalks, 25 kilograms of marijuana, and 3 kilograms of opium were seized from those arrested. There were 375 criminal cases that were activated.

BELARUS

Belarusian Opposition Leader Interviewed

93UN0190A Moscow KOMSOMOLSKAYA PRAVDA
in Russian 27 Oct 92 p 1

[Interview with Vladimir Nikolayevich Zablotskiy, representative of the People's Front and deputy of the Supreme Soviet of the Republic of Belarus, by O. Yegorova; place and date not given: "Belarus: Is Any Authority Completely Satisfactory?"]

[Text] The 10th session of the Supreme Soviet of Belarus began sensationally. Everyone was waiting most of all for a decision on the precise date of the referendum (incidentally, specifically regarding the fate of the Supreme Soviet). But a majority of the deputies decided to postpone the big question until later. They started with what is of the moment. They established a minimum wage of 2,000 rubles, starting on 1 November. This sum is already today adequate only for the product card, but people will only receive it by the new year—after the new price spiral...

What is to be done? This is reflected upon by Vladimir Nikolayevich Zablotskiy, a representative of the constructive opposition of the People's Front, deputy of the Supreme Soviet of the Republic of Belarus, and so-called "shadow premier."

[Yegorova] An amazing paradox: Today practically any draft law in Belarus evokes the distrust of society. What do people fear more: the imperfection of the law or the nonprofessionalism of the Supreme Soviet?

[Zablotskiy] A rash of legislation—this is not only unprofessional. Today my colleagues and I are finishing work on changes to draft laws on property, rent, land, banks, economic associations... So that there is no confusion or contradictions they have to be adopted simultaneously and in a composite way. Because if just one law is absent then the whole package does not work. But at present in Belarus it is being done the old way: A decision is made on one draft law, and within a year or two—on another... This is not the way to work. It is necessary to have a concept of the development of the state, and a concept of the development of the economy. But since there is none of this, legislation is spontaneous and incidental.

[Yegorova] Semi-laws?

[Zablotskiy] There is something else here also. Besides the nonprofessionalism, our Supreme Soviet permits itself to work... from case to case. Nonsense. In the most tense times—during last year's April strikes, and even now, when unprecedented price pandemonium has occurred—the deputies are on vacation. Moreover, it lasted for half a year (it is just unbelievable).

[Yegorova] What is to be done? Maybe it will dissolve itself?

[Zablotskiy] We raised the question of a referendum in this regard. An initiative of the People's Front opposition. Political events change very quickly, society changes, but the Supreme Soviet of the republic is still back in 1989. It is necessary to have new thinking and market legislation—but a majority of the deputies are incapable of thinking "in terms of the market." The question is very serious: Will the people be able to change authority or not. Through legal means, of course. The referendum, a decision on holding which was made in April, will show whether the people are ready and whether they have realized that new democratic elections are necessary, and not to the Supreme Soviet but to a professional, continuously working parliament.

[Yegorova] Do you have a program?

[Zablotskiy] We have done an objective analysis of the position of Belarus in the CIS, and if the present political leaders had the will it would be possible to move ahead faster. Toward our own currency, toward an interbank union, toward a common economic law, and toward a common market.

But at present we are staying on a course in the ruble zone. But then how does one understand the introduction in Belarus of payment checks, so-called "jackrabbits?" After all, this is an additional monetary emission! Those who want stability for the ruble should not behave this way. If we really are utilizing the currency of Russia, then our budget should actually be approved in the Supreme Soviet of Russia. We should come to an agreement on the level of emissions and the level of the state debt. But then there should be no talk about the statehood of Belarus.

[Yegorova] Nevertheless, it will be necessary to conduct monetary reform sooner or later.

[Zablotskiy] I fear most of all that our government, with the introduction of its own currency, will behave in the same way, for example, it did in declaring a monopoly on alcohol, or in the sale of cigarettes. The problem of supply and demand has not been settled, the problems of price formation have not been resolved, and people were placed in the absolutely idiotic situation in which, because of the impossibility of making purchases at state enterprises, they went to commercial enterprises.

There is a technical side to the situation (the printing of currency) that can be solved. But only an economy that works well gives stability to a currency. Reserves. But we are in a vise, and we are dependent: There are no raw materials, and there are no replenishments. Consumption is not regulated. But the main trouble is that property relationships have been disrupted. The hole is the kind we cannot climb out of. But in our country, at the expense of profits which should belong to the owner (but these are state enterprises), there is a multiple surge in wages. That is, the profits are appropriated by the labor collectives!

[Yegorova] In this way, society itself and the people are seduced.

[Zablotskiy] Exactly. "Benevolent" self-deception. Property relationships must be restored without fail—without this we will not take even one step.

[Yegorova] And, nevertheless, do you think that the world price structure will be within our means?

[Zablotskiy] One hour of work should cost three liters of gasoline. One tonne of grain—a tonne of oil. One "Belarus" tractor—145 tonnes of grain. These are the ratios in the world. They have stood the test, and they are justified. In our country now the distortion in prices is reaching 2,500 percent and more. By a factor of 25! The crack in middleman trade activity is very large.

[Yegorova] Is it true, Vladimir Nikolayevich, that you are called the "shadow premier?"

[Zablotskiy] I myself am against the formation of parallel structures today, given the absence of a legislative basis for this. But this should be beneficial to the state. A working opposition that could rule, for example, as in England.

I think that we need a parliamentary republic. There is no presidential authority in Belarus. But then the role of the prime minister should be strengthened through the constitution. It is not the speaker of the parliament who should represent the state, but the prime minister. It is necessary to change many standards and fixed notions. Well, for example, to change this kind of a standard: It is necessary to learn to be glad when a person is rich. The republic will get rich thanks to rich people. An opportunity for everyone to work and to hope. But here is the question: How can this be done if the constitution does not yet guarantee economic freedoms, and when the constitution is enslaved no less than the individual himself?

[Yegorova] It is a pity that to date the potential of the people and their best features are not being utilized...

[Zablotskiy] I think that it is necessary rather to give the individual land. Land is the basis of all economics, all economic relations. We, the opposition, propose a real institution of private ownership of land. Naturally, with all of the procedures. Guaranteed respect for all kinds of land. An owner does not have the right to make land worse—he must improve it. Land that is in circulation is a commodity. But if I am a landowner, I can mortgage this land at the land bank in order to get credit. I offer the land as credit security. But now, so long as there is no land ownership, these unfortunate farmers cannot receive credit. They have nothing. They do not have any land.

Further. Although I have the right to sell land, I do not have the right to change its status. Whoever buys my parcel cannot divided it into small pieces. This is generally accepted in the world. And, then, there is the concept of a national guarantee of land. This is not talked about

at all in our country. Even taking into account Chernobyl land that was removed from use, there is 0.6 hectares for each person in Belarus. This is a lot. This is arable land. It is a disgrace to squander the potential of the people. It must be strengthened logically and reasonably.

Belarusian Government on Critical Issues

93UN0190B Moscow NEZAVISIMAYA GAZETA
in Russian 22 Oct 92 p 1

[Article by Igor Sinyakevich: "Deputies Will First Examine the Minimum Wage: The CFE Treaty Will Be Discussed Behind Closed Doors"]

[Text] After a semiannual break the parliament of Belarus renewed its work on 20 October. Contrary to expectations the regular session began amazingly quietly. The parliamentarians ratified a 92-point agenda. If you consider that in a session they examined not more than 50 questions in two-three months until now, the present stage of work of the Belarusian parliament will end no sooner than April.

Determination of the sequence of questions resulted in many arguments. Of course, deputies of the most diverse views immediately got together in their populism, and the first point raised was the question of the minimum wage. The deputies established it at 2,000 rubles a month. The People's Front opposition insisted that review of the question of a referendum be next on the agenda; however, its interests were ignored. This question took fifth position. First, the parliamentarians will review the point on ratification of military agreements, a block of economic questions, including a report of the government, and then they will hear a second reading of the draft constitution. The Treaty on Conventional Forces in Europe and other military agreements will be examined in a closed session of parliament. As was declared in an interview for the newspaper ZVEZDA by Gennadiy Kozlov, the coordinator of the ruling faction "Belarus" and an official of the administration on the question of citizens' rights, public safety, and defense work under the Council of Ministers, "the treaty (on CFE) has to be ratified, but what is to be done with 1,000 tanks?"

The remaining questions on the agenda seemed to the parliamentarians to be so immaterial that they gave the right to determine their sequence to the secretariat of the session. Meanwhile, the legislators have to decide the fate of such important normative acts as laws on privatization and checkbooks, on the right to land ownership, on currency regulation, joint-stock companies, defense, the armed forces, the KGB, Border Troops, state borders, the procuracy, operational search activity, and others.

A decision was made by majority vote not to include on the agenda the question of demonopolization of the press, although as one of the deputies from the opposition remarked, the circulation of publications under the control of the Council of Ministers amounts to

percent of the total circulation of republic newspapers. This vote shows that after such a long vacation the views of the Belarusian parliamentarians have not changed particularly, and that the government of Vyacheslav Kebich, which represents the interests of the postcommunist nomenklatura, can feel confident with the present composition of the Supreme Soviet. Especially as there were more red flags on Independence Square on the day of the opening of the session than white-red-and-white flags, and the groups of supporters of the Belarusian People's Front looked modest against a background of the rally of neocommunists, which assembled about 1,000 people.

Austria Extends Credit Line

934A0148A Minsk SOVETSKAYA BELORUSSIYA
in Russian 6 Oct 92 p 1

[Report: "Vyacheslav Kebich and Austrian Chancellor Franz Vranitzky Open Up a Credit Line for Belarus"]

[Text] The visit to Austria by the government delegation from the Republic of Belarus, headed by Prime Minister Vyacheslav Kebich, has come to an end.

A Memorandum on Cooperation between the Republic of Belarus and Austria was signed.

Austria has extended Belarus 5 billion schillings (approximately 500 million U.S. dollars) in credit for the purpose of modernizing its economy.

(Published below are ITAR-TASS materials concerning the visit by the government delegation of Belarus to Austria).

Negotiations took place on 1 October in Vienna between Vyacheslav Kebich, chairman of the Council of Ministers of the Republic of Belarus, and Franz Vranitzky, the federal chancellor of Austria.

Matters involving interstate cooperation and strengthen mutual ties were discussed in detail at this meeting. As a result of the negotiations, a Memorandum on Cooperation Between the Republic of Belarus and the Republic of Austria was signed. The most important point of this document was the agreement to offer Belarus unlimited credit for the purpose of reforming that republic's economy. It was provided that during the first five years the amount of such credit would be 5 billion schillings (about half a billion dollars). The extension of credit is assessed here as an unprecedented step by the Austrian leadership. And it is linked with Austria's aspiration to cooperate with the Republic of Belarus, as well as with the personal sympathies for the head of Belarus's government and his stance directed at strengthening the CIS, the achievement of stability and consensus among the republics of the former USSR.

Franz Vranitzky expressed his satisfaction with the well-balanced political stance taken by Belarus, its striving to

achieve consensus within the framework of the CIS and to strengthen ties with Russia, as well as with the European states.

At the press conference which was held here the head of government of the Republic of Belarus pointed out that the negotiations which had taken place in Vienna had been fruitful. He noted that it was no longer feasible nowadays to divide Europe into West and East. The principal goal of Belarus is integration within the framework of a common, all-European process.

In characterizing the relations among the states within the CIS framework, Vyacheslav Kebich declared that for Belarus the most important of the existing priorities was, is, and will be strengthening friendship and cooperation with Russia. Recently a packet of documents was signed which defined and specified relations with Russia for the long-term future.

In replying to questions from journalists concerning the role played by the opposition in Belarus's political life, Vyacheslav Kebich indicated that the presence of an opposition in a democratic state is a completely normal phenomenon. "I regard the Belarusian People's Front, or—to be more precise—its sensible part, as good partners. The question is: 'Whose program would be better, more effective, and lead more rapidly to an improvement in our people's lives?'" he said.

The Belarusian head of government visited the Austrian Parliament and met with some deputies. During the course of their conversation matters of strengthening parliamentary democracy and developing contacts between the two countries were touched upon.

On 2 October the visit to Austria by Vyacheslav Kebich, chairman of the Council of Ministers of the Republic of Belarus, came to an end. He was received by Thomas Klestil, federal president of the Republic of Austria. During the course of their conversation there was an exchange of opinions concerning the situation in both countries and on ways to expand cooperation in various spheres of life.

The Belarusian head of government also met with representatives of Austrian business circles. They discussed matters of broadening contacts in the business sphere, the possibilities of creating joint enterprises, and the use of up-to-date technologies.

The building which houses the Republic of Austria's Ministry of Economic Affairs was the site of the signing of several bilateral economic agreements directed at expanding cooperative ties in the field of producing food products, metallurgy, electric-power engineering, and tourism. In speaking at the ceremony marking the signing of these documents, Wolfgang Schuessel, Austria's minister for economic affairs, indicated that Austrian firms are showing great interest in Belarus, and that the agreements signed here would add a new impulse to

trade and economic ties between the two states. They will open up new possibilities for seeking out ways to enhance their effectiveness.

Vyacheslav Kebich visited one of the enterprises of the Austrian firm "Laska," which specializes in producing equipment for the food industry. Items turned out by this enterprise can be seen nowadays in 85 of the world's countries. At the present time this firm's specialists are working on three projects in Belarus. The leading officials of this firm expressed their readiness to participate more actively in modernizing the republic's food industry, in particular, in constructing production lines for processing milk and producing baby food.

In an interview granted to an ITAR-TASS correspondent before taking off on his flight, Vyacheslav Kebich pointed out that his talks in Austria had been fruitful. They took place in an atmosphere of mutual understanding and attested to the striving of both parties involved to deepen their cooperation.

Belarus is attempting to develop mutually advantageous and profitable ties with the European countries, successfully employing its own geopolitical position therein.

"We have a well-developed infrastructure at our disposal. Other states of the region can also be included in the plans being implemented by us. Therefore, the broad development of such contacts will have a favorable effect not only on Belarus, but also on other CIS countries," the head of the Republic of Belarus government emphasized.

After concluding its official visit to Austria, the governmental delegation from the Republic of Belarus made a brief stop in Ljubljana, the capital of Slovenia.

Vyacheslav Kebich, the head of the Belarusian government, met with Mr. Milan Kucan, chairman of the Republic of Slovenia's Presidium.

A motivated discussion took place regarding the problems of mutual cooperation. Particular attention was accorded to the aid which Slovenia is rendering to Belarus for the purpose of eliminating the consequences of the Chernobyl accident. Agreement was reached on the participation of large Slovenian firms in building a republic-level oncological hospital in Gomel.

KAZAKHSTAN

Nazarbayev on CIS Cooperation, Economy, National Minorities

93US0085A St. Petersburg NEVSKOYE VREMYA
in Russian 8 Oct 92 p 1

[Interview with Nursultan Nazarbayev, president of Kazakhstan, by Maksim Shabalin; place and date not given: "We Must Play by a Single Set of Rules"]

[Text]

[Shabalin] In your opinion, what is the principal task of the upcoming meeting between the chiefs of the CIS to be held in Bishkek?

[Nazarbayev] To my way of thinking, it's high time that the Commonwealth members gave some thought as to how to build civilized relations among themselves. If there were normal coordination in the economy, that would help all our enterprises and producers of items. If we decide the question of the ruble zone, there would be an agreed-upon approach to all the problems of monetary circulation. Formerly there was a single bank—one which used to exercise controls on monetary discipline. But now there are 10-12 budgets, and nobody is monitoring them; each one functions as it seems best to itself. We will either play the game by a single set of rules, or we must break up in a civilized manner and each one introduce their own currency. It's time to determine how to operate in the future. It's not a matter of any kind of union or confederation, not about creating some super-state organs. We would just like to reach the level of cooperation which has been attained by Western Europe. And practical life itself will show us what lies ahead.

[Shabalin] Aren't you afraid that your widely advertised initiative might become the cause of a split-up of the CIS—a formation which is fragile enough as it is? Won't a commonwealth emerge within the commonwealth?

[Nazarbayev] There need be no fear of that. Every chief of state speaks and expresses the will of his own people, and his steps are commensurate with the domestic political situation in his state. The initiative indeed was advertised, but I am talking about purely pragmatic matters. We have an extremely serious crisis here in our country: The economy is sliding downhill; people's lives are getting worse; and dozens of enterprises are shutting down. We must somehow restore the integration that existed before and place it on a new, market level. Whoever does not want this, let him not do it. As to Kazakhstan, even if no one agrees, Russia and ourselves will still have these talks.

[Shabalin] Wherein lies the main idea of your speech at the UN General Assembly with regard to national minorities?

[Nazarbayev] There are now approximately 4,000 nations in the world, but there are only 168 states. What

would happen if each small nation would equate the issue of the rights of the national minorities with the matter of self-determination and begin to strive toward creating its own state? Weak, dwarflike states would arise—states which would not be able to provide for their own defense, nor for their political or economic independence. They would have to come to a situation whereby they would fall under somebody else's influence.

The UN should provide a precise definition of what a self-determining nation is, and what the rights of the national minorities are. I think that the rights of the national minorities should be interpreted not as the right to create one's own state, but simply the equality of their rights with the rights of any other citizens living on the territory of the country in question. In connection with the well-known events in the Baltic region, this question disturbs many persons. I introduced the proposal that in the postconfrontational period at a special session of the UN General Assembly we might determine how to proceed further in building a new world order.

[Shabalin] Kazakhstan was the latest mediator in the talks between Armenia and Azerbaijan with regard to the Karabakh conflict. Have you abandoned any further attempts in this regard?

[Nazarbayev] No. We are continuing our mediation. We have reached agreement that on 10 October working groups from Armenia, Azerbaijan and Kazakhstan shall meet again in Alma-Ata and continue talks on preparing for a meeting of the presidents involved. Work is also being carried on by the Ministry of Defense. My activity in this matter is to attain ironclad agreements together with President Yeltsin. Although this issue is a very complicated one, Russia and Kazakhstan must continue working on it.

Ethnic Statistics for 1990-1992 Show Continued Kazakh Gains

92US0807A Alma-Ata YEGEMENDI QAZAQSTAN
in Kazakh 4 Aug 92 pp 1, 3

[Article by A. Dassenbekov, deputy chairman of the Republic of Kazakhstan State Committee for Statistics and Research: "Who Lives in Kazakhstan? How Many Kazakhs Are There?"]

[Text] Present inhabitants of the Republic of Kazakhstan, which is special not only in terms of the complexity of the republic's ethnic structure, but, at the same time, because of the fact that the indigenous people is few in comparison to other former Soviet republics, are encountering considerable changes in their development. Kazakhs are first in numbers among the 17 million inhabitants of our nations. At the beginning of 1992 their numbers reached 7,073,000, giving them a percentage weight of 42 percent among the other inhabitants of the republic. The number of Russians was 6,257,000 (37 percent), Ukrainians, 890,000 (5.2 percent), Germans, 786,000 (7.4 percent), Uzbeks, more than 356,000 (2.1

percent), and Tatars around 337,000 (approximately 2.0 percent). Kazakhs and representatives of the above-mentioned nationalities comprised 93 percent of the republic's population.

During the three years since the 1989 All-Union Census, the numbers of the indigenous people of the republic have continued to grow rapidly. If Kazakh numbers grew on the average by 2.5 percent each year during 1970-79 and grew by 2.1 percent a year during 1980-89, their average annual growth rate during the last three years has been 2.7 percent. If we take into consideration that the birth rate for republic inhabitants in general has fallen by an average of 4.3 percent, by 0.9 percent among the Kazakhs within this, this growth is quite impressive. The following situation came into being in 1991 as part of the process whereby in recent years individual peoples have gone over to their own nationality state structures: along with Kazakhs arriving from other former union republics, 12,300 Kazakhs have come from Mongolia. Most of them (80 percent) have settled in Eastern Kazakhstan, Karaganda, Pavlodar, and Taldy Kurgan Oblasts. As a result, the growth rate for Kazakhs living in these oblasts was between 3.3 and 5.6 percent during 1991. The percentage of indigenous people living in those oblasts has remained unchanged due to the migration of representatives of other nationalities, in particular, Russians and Ukrainians, to Eastern Kazakhstan, Karaganda, and Pavlodar Oblasts. The relative percentages of Kazakhs in these oblasts at the end of last year were 28, 19 and 30 percent respectively. In spite of somewhat small growth (0.9 to 1.7 percent), Atyrau and Kzyl Orda Oblasts remained the areas where indigenous people are concentrated.

In spite of an increase of 30,000 in overall numbers, the percentage weight of Russians in the republic declined from 37.8 to 37 percent. This was a result of limitation of their natural rate of increase. In this regard, we must note that the large migration of Russians from areas outside of Kazakhstan has been left out of consideration.

Total numbers of Azeris (2.4 percent) and Uzbeks (2.3 percent) increased during 1989-91. Numbers of Belarusians and Tatars increased also, by 0.5 percent.

The considerable decrease in numbers of Germans (958,000 in 1989, to 786,000 at the beginning of 1992) is connected with large numbers migrating to Germany.

In spite of considerable changes in the ethnic structure of the republic's population, we must say that these processes are to a considerable degree connected with changes in the socio-economic life of our country and are natural under circumstances of strong directions in questions of a state demographic policy to protect the interests of all those peoples living in the republic. Information about changes in the numbers of individual nationalities living in the republic are given in the figures below.

Figure 1: Republic of Kazakhstan Ethnic Groups (Numbers), 1989-1992

	Census			
	12 Jan 1989	1 Jan 1990	1 Jan 1991	1 Jan 1992
Total	16,464,464	16,618,313	16,721,113	16,891,613
Group:				
Kazakh	6,534,616	6,700,363	6,875,129	7,073,072
Azeri	90,083	93,008	95,692	97,954
Belarusian	182,601	182,814	182,771	183,712
German	957,518	917,485	845,232	786,101
Russian	6,227,549	6,241,930	6,243,945	6,257,084
Tatar	327,982	333,412	334,838	336,599
Uzbek	332,017	340,532	348,300	356,408
Ukrainian	896,240	893,780	889,995	889,795
others	915,858	914,989	905,211	910,888

Figure 2: Republic of Kazakhstan Ethnic Groups (Percent), 1989-1992

	Census			
	12 Jan 1989	1 Jan 1990	1 Jan 1991	1 Jan 1992
Total	100.0	100.0	100.0	100.0
Kazakh	39.7	40.3	41.1	41.9
Azeri	0.6	0.6	0.6	0.6
Belarusian	1.1	1.1	1.1	1.1
German	5.8	5.5	5.1	4.7
Russians	37.8	37.6	37.3	37.0
Tatar	2.0	2.0	2.0	2.0
Uzbek	2.0	2.0	2.1	2.1
Ukrainian	5.4	5.4	5.3	5.2
others	5.6	5.5	5.4	5.4

Figure 3: Republic of Kazakhstan Ethnic Groups (Rate of Increase), 1989-1992

	Time Period		
	1989-1990	1990-1991	1991-1992
Total	100.9	100.6	101.0
Kazakh	102.5	102.6	102.9
Azeri	103.2	102.9	102.4
Belarusian	100.1	99.9	100.5
German	95.8	92.1	93.0
Russian	100.2	100.0	100.2
Tatar	101.7	100.4	100.5
Uzbek	102.6	102.3	102.3
Ukrainian	99.7	99.6	99.9
others	99.9	98.9	100.6

Figure 4: Numbers of Kazakhs by Republic of Kazakhstan Administrative Unit, 1989-1992

	Census			
	12 Jan 1989	1 Jan 1990	1 Jan 1991	1 Jan 1992
Kazakhstan	6,534,616	6,700,363	6,875,129	7,073,072
Admin. Unit:				
Akmola	193,703	197,704	202,245	201,381
Aktyubinsk	407,222	418,155	428,779	438,890
Alma-Ata	406,823	417,602	432,117	438,615
Atyrau	338,998	348,671	355,854	358,896
West Kazakhstan	351,123	359,839	368,428	377,954
Dzhambul	507,302	520,568	543,013	563,531
Zhezkazgan	227,402	232,453	236,625	241,287
Kokchetav	191,275	195,171	199,873	205,689
Karaganda	231,782	237,625	243,378	256,905
Kustanay	183,590	186,772	190,512	194,731
Kzyl Orda	511,976	525,335	536,888	546,018
Mangistau	165,043	169,544	178,265	189,468
South Kazakhstan	1,012,265	1,043,034	1,073,655	1,107,565
Pavlodar	268,512	274,535	279,923	290,599
Semipalatinsk	432,763	441,510	448,504	455,818
North Kazakhstan	111,631	113,587	115,404	118,077
Taldy Kurgan	360,453	368,414	376,032	389,835
Turgay	126,975	129,953	132,884	138,048
East Kazakhstan	253,706	258,395	262,424	271,178
Alma-Ata City	252,072	261,496	270,326	288,587

Figure 5: Percentages of Kazakhs by Republic of Kazakhstan Administrative Unit and Growth Dynamics, 1989-1992

	Census				Time Period		
	12 Jan 1989	1 Jan 1990	1 Jan 1991	1 Jan 1992	1989-1990	1990-1991	1991-1992
Kazakhstan	39.7	40.3	41.1	41.9	102.5	102.6	102.9
Admin. Unit:							
Akmola	22.2	22.5	22.8	22.8	102.1	102.3	99.6
Aktyubinsk	55.6	56.4	57.4	58.3	102.7	102.5	102.4
Alma-Ata	41.6	42.4	43.5	45.5	102.6	103.5	101.5
Atyrau	79.8	80.3	81.0	81.3	102.9	102.1	100.9
West Kazakhstan	55.8	56.4	57.0	57.4	102.5	102.4	102.6
Dzhambul	48.8	49.8	51.9	53.7	102.6	104.3	103.8
Zhezkazgan	46.1	46.8	47.9	48.8	102.2	101.8	102.0
Kokchetav	28.9	29.4	30.0	30.5	102.0	102.4	102.9
Karaganda	17.2	17.7	18.2	19.2	102.5	102.4	105.6
Kustanay	17.5	17.6	17.7	17.9	101.7	102.0	102.2
Kzyl Orda	79.4	80.5	81.5	81.9	102.6	102.2	101.7
Mangistau	51.0	51.9	53.5	54.6	102.7	105.1	106.3
South Kazakhstan	55.7	56.5	57.5	58.3	103.0	102.9	103.2
Pavlodar	28.5	28.9	29.3	29.9	102.2	102.0	103.8
Semipalatinsk	51.9	52.7	53.5	54.1	102.0	101.6	101.6

Figure 5: Percentages of Kazakhs by Republic of Kazakhstan Administrative Unit and Growth Dynamics, 1989-1992 (Continued)

	Census				Time Period		
	12 Jan 1989	1 Jan 1990	1 Jan 1991	1 Jan 1992	1989-1990	1990-1991	1991-1992
North Kazakhstan	18.6	18.8	18.9	19.1	101.7	101.6	102.3
Taldy Kurgan	50.3	51.1	51.8	52.8	102.2	102.1	103.7
Turgay	42.1	42.7	43.2	43.8	102.3	102.3	103.9
East Kazakhstan	27.2	27.5	27.7	28.3	101.9	101.6	103.3
Alma-Ata City	22.5	22.9	23.5	24.2	103.7	103.4	106.8

Figure 6: Numbers of Kazakhs and Members of Other Nationalities by Oblast as of January, 1992

	Ethnic Groups									
	Total Pop.	Kazakh	Azeri	Belaru-sian	German	Russian	Tatar	Uzbek	Ukrai-nian	Other
Republic of Kazakhstan	16,891,613	7,073,072	97,954	183,712	786,101	6,257,084	336,599	356,408	889,795	910,888
Admin. Unit:										
Akmola	883,800	201,381	2,108	24,003	99,152	408,936	21,019	1,600	75,457	50,144
Akt'yubinsk	753,100	438,890	1,497	4,686	24,294	170,356	17,247	724	72,905	22,501
Alma-Ata	965,000	438,615	20,829	2,900	34,330	280,311	9,786	2,781	17,528	157,920
Atyrau	441,500	358,896	150	960	1,216	59,237	4,743	450	3,135	12,713
West Kaza-khstan	658,500	377,954	894	5,147	4,291	221,754	13,608	348	28,493	6,011
Dzhambul	1,049,100	563,531	12,909	3,622	49,231	260,091	16,681	22,642	30,330	90,063
Zhezkazgan	494,100	241,287	1,378	6,719	17,781	168,147	10,154	1,058	28,504	19,072
Kokchetav	673,700	205,689	1,007	17,516	71,450	267,430	12,075	451	56,789	41,293
Karaganda	1,338,800	256,905	3,755	30,955	103,307	704,622	47,037	3,731	106,270	82,218
Kustanay	1,086,100	194,731	3,955	32,053	103,960	511,673	24,055	1,166	170,107	44,400
Kzyl Orda	666,300	546,018	610	2,691	1,629	84,557	5,995	1,924	11,466	11,410
Mangistau	346,700	189,468	4,744	1,655	976	107,827	5,472	940	10,015	25,603
South Kaza-khstan	1,899,213	1,107,565	29,406	3,350	29,466	272,607	34,447	308,024	31,331	83,017
Pavlodar	970,300	290,599	1,990	12,447	89,818	436,278	21,146	1,022	87,076	29,924
Semipalatinsk	842,700	455,818	901	4,366	41,108	295,703	19,301	1,008	18,123	6,372
North Kaza-khstan	617,600	118,077	1,213	7,296	38,220	381,845	16,547	347	38,009	16,046
Taldy Kurgan	738,400	389,835	1,530	1,701	25,489	235,738	10,537	1,298	11,408	60,864
Turgay	315,400	138,048	1,763	9,686	14,000	88,858	9,260	401	32,796	20,588
East Kaza-khstan	958,100	271,178	947	4,515	21,558	621,185	9,019	1,287	14,504	13,907
Alma-Ata City	1,193,200	288,587	6,368	7,444	14,825	679,929	28,470	5,206	45,549	116,822

KYRGYZSTAN**Destabilizing Dzhahal-Abad Unrest Weighed**

93US0084A Moscow KOMSOMOLSKAYA PRAVDA
in Russian 28 Oct 92 p 1

[Article by KOMSOMOLSKAYA PRAVDA correspon-
dent K. Bayalinov: "A Simple Padishah of Not So

Simple Pretensions: Is There a Threat of a 'Tajik Ver-
sion' in Kyrgyzstan?"]

[Text] Dzhahal-Abad—Bishkek—Once again after the tragic summer events of 1990 in Osh, rally emotions are being aroused in the south of Kyrgyzstan. This time it is happening in the city of Dzhahal-Abad. Both opponents and supporters of the current head of state administra-
tion, Bekmamat Osmonov, are holding rallies in the city.

Meanwhile, a confrontation of clans which is threatening to grow into a civil war is emerging more and more visibly from spontaneous statements and creative slogans. Supporters of the oblast "commander" are calling for mass disobedience to President Akayev and to the authorities in the capital. The word "arkalyk" can be heard more and more often, which translates into Russian as "those over the mountains." This is the local name for the representatives of the republic north where the state capital Bishkek is located. The situation is made even more interesting by the fact that here we see a confrontation between representatives of the same ethnic group, unlike in Osh and Uzgen. Kyrgyz are against Kyrgyz...

What is an akim (head of administration) by old standards? First secretary or ispolkom [executive committee] chairman?

Neither; an akim is a padishah. This is the answer to our question given by Bekmamat Osmonov, who is now at the center of the dramatic events.

All Bekmamat Osmonov's actions serve to prove in practice the truth of his own definition of the word "akim." People in this oblast center do not wonder any more at the numerous daily trips of motorcades escorted by militia cars with sirens and blinkers turned on. "The akim is going to lunch..." they say, and they are seldom mistaken. Nobody wonders at his palace with a 10-meter swimming pool, a palace with over 700 square meters of living space; nobody wonders at the fact that the akim and his brother took over some 30 hectares of relict nut trees. Nobody wonders when three or four people are removed from a plane to Bishkek. This means that the akim and his bodyguards (which are not required by his position, incidentally) want to go to the capital on some urgent business. People do not wonder when the akim gathers folk storytellers "manaschi" and they sing their songs hailing the wise ruler while the rayon and city akims of Dzhahalal-Abad Oblast compete as to who will pay more for a single song... They do not wonder when the akim dances on green banknotes showing profiles of recognizable presidents of a little-known country which his subordinates throw under his feet. Even President Akayev did not wonder too much when he was not able to locate the akim on the first day of the disastrous earthquake in Dzhahalal-Abad Oblast; he was resting in some mountain retreat after his latest hunt and only showed up for work a day later.

Visitors, however, are sometimes shocked. General Dzhokhar Dudayev, who has seen a lot in his day, was stunned when he saw the akim beg his bodyguard for his handgun (he was given the gun, however) or when he saw him wave a wad of 100-dollar bills trying to persuade the leader of Chechnya that being an akim in Kyrgyzstan was not all that bad. Neither did Dudayev miss the occasion when a snow-white MI-8 arrived to pick up Osmonov and take him, rather drunk, home to his wife and kids.

Bekmamat Osmonov is considered one of the "major democrats" in Kyrgyzstan. The Dzhahalal-Abad Oblast akim was nominated to the post of prime minister by the National Revival Party "Asaboy," which is part of the democratic movement "Kyrgyzstan." He has every chance of becoming prime minister after the possible downfall of the current Cabinet of Ministers. The oblast akim enjoys the support of Dzhahalal-Abad democrats as well as of many journalists (the akim issued permits for free automobile transportation to all oblast journalists).

One can find other metamorphoses to wonder at. One may ask: If all this is true, how come the administrator has not been fired yet? I can respond to that: At present, it is easier to "fire" the president of Kyrgyzstan than the akim of Dzhahalal-Abad Oblast. In the 18 months of his rule Bekmamat Osmonov has flooded the oblast with his relatives and friends. Two of his seven brothers are sovkhos managers, two more are in charge of the oblast and rayon agricultural administrations, one is head of the rayon militia, and another is deputy director of the oblast trade exchange. One of his brothers sits in the republic parliament together with the akim. Over 30 direct and not so direct relatives of Bekmamat Osmonov are employed in the administrative layer of the oblast. They include the chairman of the oblast consumers' union, the head of the internal affairs administration, the head of the agricultural technical maintenance service, the head of the fuel storage facility, an oblast administration staff member, the chairman of the oblast trade and commerce association, the oblast newspaper editor-in-chief, the chairman of the oblast TV network... Thus, the akim and his powerful clan now hold under their control at least a third of all the votes in their oblast...

Some of his relatives are trading in hard currency (one of them has even opened a personal account in Turkey), but the majority of them are either founders or members of branch commercial family associations.

The clan does not restrict its services to its own oblast. People who have been given various presents, furniture, and cars include presidential staff members and Cabinet of Ministers officials.

A campaign directed against the head of the administration has started in the oblast, and it has the support of official Bishkek. But all dissatisfied or opposing voices are drowning in the sea of voices of the akim's relatives and friends. This confrontation threatens to grow into a civil war in the oblast and cause a wave of separatist feelings in all of southern Kyrgyzstan.

P.S. Kyrgyz President Akayev visited Dzhahalal-Abad on Monday. The purpose of his trip was to persuade the oblast akim to resign. According to our information, B. Osmonov agreed to such an agenda. Local commentators, however, consider Osmonov's gesture a well-considered tactical move before a strategic offensive.

TAJIKISTAN

Kulyab, Dushanbe Opposing Views Contrasted

93US0088A Moscow LITERATURNAYA GAZETA
in Russian No 45, 4 Nov 92 p 11

[Article by Oleg Blotskiy, LITERATURNAYA GAZETA special correspondent: "Tajikistan: The Green and The Red"]

[Text] Dushanbe—Kulyab—Kurgan-Tyube—Armed bearded men in Dushanbe, adorned with white headbands, told me on numerous occasions: "The Kulyabis are communists. They are being helped by Russia. We will exterminate them."

So, I decided to go to Kulyab to see the "communist sanctuary."

The "Red" Kulyab

Nothing reminds you of the war in Kulyab. It lives at the peaceful, measured rate of a southern city.

"Our oblast is under blockade," I was told by Makhmad-said Ubaydulloyev, Kulyab Oblispolkom [oblast soviet executive committee] deputy chairman. "We have not had a drop of fuel or a gram of food for over six months now. But we have over 800,000 people living here, plus about 150,000 refugees. People are beginning to starve. We have 40 tonnes of flour left. God alone knows what is going to happen next."

"A hundred and fifty out of every 200 newborn babies die," Kimat Rustamova joins the conversation. "We send new mothers home the day after they deliver their babies. We do not have any medical supplies because we give them all to the wounded. But our enemy declares that the blockade will continue until we all die. There are cases of typhoid and dysentery in the oblast."

When I asked these people about Kozi-kolon and his part in the current events, I saw their eyes light up with an unkind fire. He is the person they blame for all that is now happening in Tajikistan.

"This man is ruling the entire republic from off-stage. He wants an Islamic state," Ismail Ibragimov, commander of the Kulyab Oblast national guard, assures me.

"A process of 'Iranization' has started in Tajikistan," says Rustam Abdurakhimov, chairman of the Kulyab sociopolitical organization "Oshkoro" ("Glasnost"). "They want to turn us into a colony of Iran."

In order not to leave anything unsaid, M. Ubaydulloyev summed it up:

"Dushanbe identifies us with the Russians, i.e. infidels. This is wrong. We are Muslims, but we remember all the good things that have happened in our republic over the years. We were given lighting, natural gas, housing. We have people of over 30 nationalities living here now. We are being accused of lack of patriotism. That is a lie. We

are Tajiks, but we respect all the other ethnic groups that reside here. We do not accept the formation of an Islamic state, we do not want to yield to the dictatorship of the fundamentalists' force. Just think, the first deputy chairman of the Islamic Revival Party lives in our oblast. The chairman himself lives in Ufa. What is the reason for this geography? I think that the Islam that is being forced upon us is frightening for both you and us. There were two world attempts by Islam to take over. They failed. Now there is a third attempt. And the last... Islamization is dangerous for you Russians also! You do not understand that yet!"

Any remark about their devotion to totalitarian communism is immediately rejected by the Kulyabis.

"We do not support communist Nabiyeu but we support President Nabiyeu," Rustam Abdurakhimov makes the distinction, "we support the revival of law and order in the republic. We have one demand only: Restore the previous parliament and then conduct new elections."

As I talked to random passers-by in the streets I heard many times: "Why has Russia abandoned us? Why is it supporting the fundamentalists? They are the ones who are driving Russians out of Tajikistan and killing your officers!"

The Kulyabis are categorically against the withdrawal of Russian troops and border guards. They brought flowers to welcome the special purpose [spetsnaz] battalion that arrived in Kulyab to strengthen the Russian unit deployed there. The oblast administrators gave the soldiers two color TV sets and a truckload of fruit. But the tank that was stolen from the local military unit in Kurgan-Tyube and which is now fighting for the "yurchiks" bears the inscription "For Igor Kovalev" on its turret. It reminds people of the senior lieutenant from the 191st regiment of the Russian Army who was gunned down by fundamentalists in broad daylight.

Meanwhile, the Kulyabis are hurriedly buying weapons, as they understand that there is no one else to rely on. Nobody was paid any wages in the oblast in August and September. The money was used to buy arms from one of the CIS republics.

Kulyab also has a gold mine with a monthly yield of 75 kilos of gold. In both May and June the Kulyabis sent 50 kilos of it to Dushanbe, but not a gram was sent after that. It is easy to figure out what the yellow metal was used for.

...The Kulyab movie theaters are showing the American film "An Eye for an Eye."

The Ghost of the Vakhsh Valley

Kurgan-Tyube was next on my list of places to visit. The city is a horrifying sight.

I was told that the local skirmishes were caused by the fact that many people from Kulyab and Garm had moved there and all their differences became more pronounced.

The results of the "differences" are seen everywhere. Houses have been gutted by explosions or burned down. Building walls are covered with bullet marks. The quieter districts that were not involved in the internecine fighting stand lifeless. Refugees walk by from time to time pushing small carts holding their belongings. Marksmen shoot. Armed people are robbing unarmed people. The city was under the "vovchiks" control for a long time. Later, the "yurchiks" started to take over in various areas of the oblast center. They were not fighting for Kurgan-Tyube per se but for the strategic approaches to Dushanbe and the railroad that were controlled by the Islamists.

Had the Kulyabis taken the Dushanbe road they would have cut off a considerable amount of the support coming to the "vovchiks" from Dushanbe. A takeover of the railroad junction could mean for them a complete and final suspension of the blockade. This was the reason the heaviest battles took place in these very directions. Gradually, by mid-October, the Kulyabis started to take over. The change may be explained by the threat of hunger in Kulyab and by the wide support given to the "yurchiks" by villages fed up with the Islamists' outrages.

The Kulyab the victories in Kurgan-Tyube radically affected all military actions. Kurgan-Tyube became the key to Dushanbe for the Kulyabis.

But the mood in the capital itself has undergone a drastic change.

Dushanbe

"People with guns used to roam all our streets, but they are not around now, they are hiding," gloated the driver who was taking me around the evening city. "Rats! They can sense their death approaching!"

The Kulyabis were already 60 kilometers away from the city.

Dushanbe residents always disliked seeing armed people in the Tajik capital. Many of them came from villages to "establish" the new government, and after the victory hurried to go either back home or to the front. Because of them Dushanbe residents live in constant fear. Whoever is strong is giving the orders here.

The opposition parties' leaders who came to power understood that the armed formations were slipping away from their control and asked all the groups in Dushanbe to lay down their arms. This was met by an indignant refusal.

I went to the people's volunteer corps headquarters. The armed fellow in the door took a long time to summon the commander. He was absent and his deputy was in no

hurry to honor me with his attention. Finally, he appeared in the doorframe. He cut a picturesque figure: Thick black beard, a cloth hat on which a pin with the inscription in Arabic "Allah is great" found a place above a khaki-colored star, a machine gun in his hand, of course. He introduced himself:

"I am Chief of Staff Sobirzoda Normukhammad. Disarm ourselves? We will not do that and we do not intend to. Take your troops out. They are the only thing stopping us from defeating the Kulyabis!"

That was the end of the interview. The chief of staff made a show of turning around and ordering the young fellow to throw all journalists out. Then he hauled himself away together with his machine gun, which had three whole clips of cartridges hanging from it.

I asked the young fellow what party or movement owned these headquarters that he was guarding. He thought for a while, but still could not give any answer. Instead, he gave me the name of his "chief commander" Dzhumal "who is from Pamir."

What Comes Next?

The flames of war have finally reached Dushanbe also. Armed Gissaris entered the city. They tried to replace the current government, but their attempt was unsuccessful. Kulyabis did not support them.

Whatever one may say, the war in Tajikistan is going on. Whatever its outcome may be, some people will be unhappy with the situation and will try to change it to their advantage by means of arms. Will there be any limit to this confrontation? Probably, not.

We need a third party capable of taking a stand between the "yurchiks" and the "vovchiks." Is Russia going to become such a party again?

TURKMENISTAN

Free Energy Consumption Program Critiqued

93US0081A Moscow SELSKAYA ZHIZN in Russian
27 Oct 92 p 2

[Article by Grigoriy Kolodin, correspondent: "When People Undress Round About...]

[Text] Against the background of the catastrophic decline in the standard of living on virtually the entire territory of the former Soviet Union, this report from Turkmenistan may evoke a feeling of unreality. In point of fact, during those very days when Russians were receiving the next regular surprise from their beloved government in the form of a price hike on energy resources and everything connected with them, Turkmenistan's President S. Niyazov publicly affirmed the government's intention to provide the inhabitants of this republic—from the beginning of 1993 on—with natural, liquefied gas, electric power, and drinking water free of

charge. How should we assess this step—unprecedented in world practice—by the leadership of this once most “junior” ranked Union republic? What is it—an attempt to show off its power to its neighbors? Populism? Or simply playing games with the people in the hope of calming them during these difficult days? Let’s try to analyze this, all the more so in that the details of the upcoming communistic (in the good sense of that word) experiment on the path to a market-type economy have been painstakingly discussed at the regular session of the mejlis (parliament).

Let me stipulate one thing right off the bat: Not everybody in the republic has greeted this decision by the government with what might be called a loud “Hurrah!” This pertains especially to persons living in rural localities, where they have not yet fully converted to gas and where there are still great difficulties with the drinking water.

“I myself am far from thinking that everything will proceed in an ideal manner, without hitches. We will have to organize the proper monitoring controls.” Thus President S. Niyazov replied to his opponents at the above-mentioned session.

According to his words, there are opponents to the new idea not only within this republic. Even the leaders of certain neighboring states have telephoned; they are convinced that the new plan is economically unfeasible. Doubts have also been expressed by partners from the countries of the West and East. However, the president, after experiencing a certain amount of pressure, remained true to his course: in politics and economics, to lay down a path corresponding to Turkmenistan’s unique conditions, its present-day situation, and the chosen guidelines. For the leadership of this republic, the market is not a goal in and by itself, and the situation in the republic is convincingly and clearly as follows: The reforms here, in contrast to Russia, let’s say, are being conducted not at the expense of an impoverished people, nor on some “off-chance” hope. A characteristic feature is that, after catching the trend toward a “brain drain,” from the administrative power structures, pedagogical systems, culture, and health care, the communal sphere into the commercial firms, the president sharply raised the salaries of the employees in the on-budget organizations by a factor of more than 2.5.

Let’s return, however, to the idea which has evoked such a broad and ambiguous resonance. I have talked with many economists who have tried to convince me that the government’s decision to provide Turkmenistan’s population with free gas, electric power, and water is a more effective measure, in all respects than the Russian [word illegible]. There are several arguments. The inhabitants of this republic would automatically become—so to speak—owners of a portion of Turkmenistan’s national resources. Then the population’s income would really increase, rather than just nominally so in worthless currency.

Nevertheless, will not this kind act by the leadership of our southern republic inflict damage on the national wealth, if we bear in mind the citizens’ lack of care or interest in economizing our vitally necessary resources? In order to forestall precisely such a development of events, the president has issued an appropriate decree setting limits—certain maximum norms for the free-gratis consumption of electric power, water, natural gas, and liquefied gas. They have not been taken from the ceiling, but are instead based on the requirements of an average family with many children and that level of payment which such families are making during the current year. Calculations have shown that at least 80 percent of the population within such limits would be free users. In the remaining 20 percent, people would have to pay for uses resources in excess of the norms and—moreover—at new rates. This category would obviously include those persons who use gas and electric power to heat private hothouses, separate garages, dacha-type cottages, or who have built private saunas.

“Implementation of our unusual decision will cost the state some 3.5 billion rubles,” said N. Suyunov, the deputy head of government. “We have found our sources of financing. And so the population does not have to worry that this course of action will be reversed. We, in turn, hope to receive in response a high awareness on the part of citizens concerning the utilization of the resources which are being given to them free of charge.”

UZBEKISTAN

Views on Transition, Collectivization Aired

Organization of Production During Transition

934A0182A Tashkent SELSKOYE KHOZYAYSTVO
UZBEKISTANA in Russian No 8-9, 1992 pp 39-41

[Article by Doctor of Economic Sciences I. Larin and Candidate of Economic Sciences K. Kubeyev: “Forms of Production Organization in the Transitional Period”]

[Text] A command system of managing the agroindustrial complex and the forms of business management that have evolved under it have long ceased to satisfy the population’s demand for food products and industry’s demand for raw materials. Moreover the economy of the agroindustrial complex has been deteriorating in recent years. Per-capita production is decreasing: In 1980-1990 the increase in production was 10 percent, while the population grew by 31 percent.

Many different forms of business management were created during the time of transition to a market economy. However, this process went on extremely slowly, without adequate grounds and not always accompanied by the desired growth in production effectiveness. Consequently in order to make a choice between the most promising of the different forms of business

management under the conditions of a market economy it would be suitable to subject them to an economic evaluation.

As we know, in 1990 the Uzbek SSR had 940 kolkhozes, 1,108 sovkhazes, 1,338 subsidiary farms, 111 interfarm and 15 agroindustrial enterprises, 11 agroindustrial combines and one agricultural firm. Totally new organizational and legal entities also appeared—commercial farms, joint-stock companies, publicly owned enterprises, small businesses and other enterprises.

Kolkhozes, sovkhazes and other state farms, which are responsible for over 95-97 percent of agricultural production, are a typical product of a command system, and they operate together with all of its shortcomings and flaws. There is no sense of ownership of either the land or the means of production, nor is there a sense of ownership of products here. Given the organizational structure of production and the mechanism of business management that have evolved, kolkhozes and sovkhazes are entities without a future. Subsidiary enterprises, which have the purpose of satisfying the demand of labor collectives, factories and plants for agricultural products, are dozens of times smaller than kolkhozes and sovkhazes but possess the conditions for organizing effective production. Consequently as the market becomes saturated with food products, a sizable number of such farms will be eliminated. Only enterprises organized on the basis of the full utilization of productive resources, wastes and by-products can hope to survive.

Now about interfarm livestock enterprises. Interfarm cooperation has the goal of deepening specialization of production and making it more concentrated. By removing uncharacteristic and, as a rule, labor-intensive and unprofitable production from the kolkhozes and sovkhazes, and switching them to the rails of interfarm cooperation, we can not only increase production in the main production sectors of the kolkhozes and sovkhazes but also raise the effectiveness of production converted to an interfarm basis.

This is the basis for raising and fattening animals more effectively than in kolkhozes and sovkhazes. The production outlays per centner of weight gain in interfarm enterprises are 253.47 rubles, while in kolkhozes and sovkhazes they are R319.30 and R336.62 respectively; the direct labor outlays in interfarm enterprises are 27 man-hours, while in shareholding farms they are 62.64 man-hours; profitability of production is 22.8 percent in interfarm enterprises, while it is negative (-5.5 percent) in kolkhozes and 1.7 percent in sovkhazes. All of this provides the grounds for considering it suitable to preserve this form of production organization as long as kolkhozes and sovkhazes continue to exist.

Agroindustrial enterprises can also be treated as entities with a future. Owing to combination of agricultural production with primary industrial processing, and with storage in a number of cases, they provide the objective conditions for ensuring coordinated development of

integrated stages of production, and for reducing transportation expenses and product losses.

In comparison with sovkhazes of similar specialization over a period of many years sovkhaz-plants have enjoyed yields from vegetable gardens, orchards and vineyards that are 1.4-1.7 times higher, the profitability of their production has been 1.6-2.5 times higher, and production expenses and labor-intensiveness have been 1.4-1.6 times lower. Owing to the advantages contained in integrated entities, effective production can be ensured in them even in years of poor harvests.

Agroindustrial combines and agricultural firms have the purpose of ensuring proportionate and balanced development of the components of the agroindustrial complex. Agroindustrial combines and agricultural firms were established not long ago, and the effort to reorganize their production, to ensure that it remains balanced and to focus on the end product have only just begun. Despite this, the combines are more effective than independently operating enterprises.

As the advantages contained in associations such as agricultural combines and firms are realized, their effectiveness will increase even more, and this allows us to look at them as good prospects.

Next, before offering an evaluation of enterprises of other forms of ownership and management, we need to determine the procedure by which to reveal their effectiveness.

It would be improper to use here the commonly accepted procedure for evaluating the effectiveness of production, based on profitability, labor productivity and so on. Transformation of kolkhozes and sovkhazes and the advent of new forms are causing change in the different parts of production organization and management. It is depending upon this that the impact must be revealed.

It appears suitable to distinguish changes in three levels of interrelationships of the enterprise with the organ above it in the hierarchy, the controlling system and the controlled system.

Interrelationships of an enterprise with its higher organ change when leasing is introduced. In this case the enterprise obtains greater independence and greater freedom in planning and in material and technical support. Some of the preconditions for raising production effectiveness are doubtlessly created as a result. But because significant changes do not occur in the controlling and controlled systems of the enterprise, and production and economic relations within the business remain as before, we cannot expect any fundamental shifts in production effectiveness.

Changes in the controlling system, occurring for example when enterprises are transformed into joint-stock and publicly owned enterprises, help to increase the material interest of the owners or stockholders of the enterprise in

raising production effectiveness by increasing the influence of management upon the organization of production and labor. Co-owners of the enterprise are interested in raising production effectiveness, and ultimately in increasing dividends. However, the mechanism of influence upon production does not operate to its full power in this case. The necessary preconditions for its effective work are not established. Although the enterprise has been denationalized and property has been privatized, it no longer possesses a collective owner.

Changes in the controlled system occur as a result of transformation of kolkhozes and sovkhozes into enterprises working on the basis of intrafarm leasing, into cooperatives (cooperative farms), state cooperative associations, small businesses and commercial farms. Production and economic relations change fundamentally in this case. The worker becomes the owner of the land, of the implements of production and of his products. This establishes the fundamental preconditions for raising labor productivity and production effectiveness.

When farms are transformed into joint-stock companies and publicly owned enterprises are established, the peasant becomes the owner of the implements of production, he becomes interested in improving the entire production process, and he becomes responsible for the results of productive activity. The co-owners of the enterprise manage it themselves. Workers of the enterprise establish a shareholding partnership, and they possess and dispose of shares in their name and in their interests.

Joint-stock and publicly owned enterprises are established by buying out orders, certificates and stocks. In this case some of them are either transferred free of charge or sold at reduced prices, as well as with regard for time at work and so on. This approach to establishing enterprises materially interests the workers in creating collective property. This is what encourages faster growth of its quantity.

In Uzbekistan, joint-stock companies have enjoyed development primarily in the sphere of services. As an example the Sogda-Lada Joint-Stock Company was established in late 1990 in Samarkand, specializing in technical services. In 1991 it issued and sold 8,000 shares.

Of the profit it receives, 33 percent goes to the stockholders as dividends, and the remaining 67 percent goes to expanded reproduction and formation of centralized funds of the following structure: 35 percent into the budget, and 8 percent into the material incentive fund.

The higher the enterprise's effectiveness, the greater the dividends the stockholders receive.

At the same time the economic mechanism does not encompass production in this case, production does not undergo fundamental restructuring, and therefore there are no grounds for anticipating any significant changes in its economics.

A large impact is achieved when the controlled system is reorganized on the basis of intrafarm leasing, and when cooperative farms and state-run cooperative associations are created. When a leaseholder or cooperative worker obtains land and other basic implements of production and engages in economic activity independently, the mechanism of personal economic interests begins to operate.

Experience shows that intrafarm leasing can produce an impact as early as in the first year. In one year, leaseholder G. Saitarov of the Kokand Sovkhoz, Fergana Oblast, was able to increase the cotton yield by 46 percent, he increased income to R3,660 per hectare, and he raised labor productivity by 42 percent. Leaseholder T. Ablyazov of the Sovkhoz imeni 23-y Partkongress increased the cotton yield by 11.7 centners per hectare, raised labor productivity by a factor of 1.5, and reduced production expenses by R20.7 per centner.

Leasing is also effective in livestock raising. A year after it was converted to leasing, the previously unprofitable commercial dairy belonging to the Pakhtakor Sovkhoz, Fergana Oblast, increased milk production by 21 percent and the milk yield of one cow by 481 kg, its production expenses decreased by 21 percent, and labor outlays dropped by 32 percent. The farm became profitable.

In cases where leasing is introduced not only into production enterprises but also into administrative and service collectives, the preconditions for raising the effectiveness of all production are created.

Conversion of farms to leasing and establishment of leaseholder associations on this basis leads to qualitative changes within the farming enterprise. The traditional administrative subordination of primary labor collectives to directors and specialists breaks down. The cooperative worker becomes a separate subject having the status of a legal entity. His position as an owner allows him to exist as an equal partner not only with other cooperative workers but also with former supervisors. All of this greatly increases the interest of leaseholders in managerial activity, and serves as a basis for developing control not only over production but also over management.

Fundamental changes in the economic mechanism are occurring in the peasant (commercial) farm, in the small business and in the privately owned enterprise. These entities contain the basic preconditions for organizing effective business management—the right to own and dispose of implements of production and products, and the right of a real owner of production who has obtained a legal status.

The requirements of the economic reform and the market economy can be fully realized in this case.

Conditions favoring mass development of the indicated forms of business management have not yet been created in Uzbekistan, and they are making forward progress.

very slowly. However, examples of such entities operating with high effectiveness already exist. As an example Yergash Melikov from the Sovkhoz imeni 20-y S'yezd Kompartii Uzbekistana, Shakhrisabzskiy Rayon, obtained a loan of R60,000 in 1990, purchased 46 pure-bred cows, and in a single year he produced 120 tonnes of milk and 48 centners of meat, with a sales profit attaining R110,000.

M. Parpiyev (the head of a commercial farm run by 10 persons) from the Kolkhoz imeni Bobur, Leninskiy Rayon, obtained a loan of R100,000 in 1990, which he used to purchase 90 head of cattle, to build a cow barn and to fence off his land. In 1990 the farm produced 10 tonnes of meat and 120 tonnes of milk, which was 40 percent of the total production of the kolkhoz. Production expressed per worker totaled R9,200.

Here are some examples of the work of small businesses. A small business producing cottage cheese, construction materials and sesame oil, established at the Sovkhoz imeni 28-y Part'syezd, Syr-Darya Oblast, increased its production volume to R50,000 in a year. Small businesses producing knitted and forged articles at the Sovkhoz imeni 50-Letiye Oktyabrya, Dzhizak Oblast, which are run by 50 and 6 persons respectively, manufactured products totaling R5,500 and R16,700 per worker in just a few months.

Peasant (commercial) farms and small businesses are promising forms of business management. However, their broad introduction will require comprehensive support from state administrative, economic, supply and financial organs.

The economic reform is encompassing all enterprises of the agroindustrial complex. The promising directions of reforming agricultural, processing and servicing enterprises are shown in the diagram [not reproduced].

Reforming enterprises of all levels into a single chain producing an end product will create the conditions for satisfying the requirements of the economic reform and market relations.

Collectivization and Cotton

934A0182B Tashkent SELSKOYE KHOZYAYSTVO
UZBEKISTANA in Russian No 6-7, 1992 pp 49-50

[Article by M. Sagatova, senior instructor, Tashkent State Pedagogical Institute imeni Nizami: "Some Lessons of Collectivization"]

[Text] As we know, the issues of fundamentally rebuilding agriculture, uplifting the general culture of the countryside and generally surmounting the low level of agricultural production were placed on the agenda of the country's social development in the late 1920s and early 1930s. All the more so because these unsolved problems were creating serious obstacles to nascent industrialization and retarding the country's overall economic development.

However, the need for implementing measures to transform the agrarian sector did not require the woefully notorious methods of Stalin's leadership: carrying out "blanket collectivization" by any means within 2 or 3 years. Nonetheless, the idea of developing all forms of cooperative peasant farms was transformed in the course of grain procurements and implementation of the associated measures into "a course of collectivization," into the "sole possible" means of introducing machinery and tractors to the many millions of poor peasants, to be used as the means of economic improvement and of socialist development of agriculture.

Extreme measures were implemented in the late 1920s against kulak farms—"dekulakization." The policy of eliminating the kulaks as a class took the form of punitive and repressive measures under J. Stalin—arrests, exile to remote areas and so on.

Still, it would probably have been better to encourage kulak farms to pool their material resources and form cooperatives, and to provide kulaks the possibility for peaceful "incorporation into socialism."

Transformations were also carried out in our republic by administrative methods. Dekulakization (2,000 dekhkan households received eviction orders throughout all of Central Asia), establishment of kolkhozes and sovkhozes, and nationalization of privately owned dekhkan farms meant serious violations of legal and ethical rules, and evoked mass displeasure among dekhkans in regard to the measures of compulsory collectivization.

Collectivization in Uzbekistan was preceded by two land and water reforms (1921-1922 and 1925-1929), which were met with approval by the larger part of the dekhkans. What is interesting is that while the reform of 1921-1922 solved the basic problems of land use (balancing out the systems of management of indigenous nationalities and Russian peasant immigrants, significantly increasing yields, improving agronomic practices and so on), the second land and water reform liquidated the rich (kulak) farms and a significant part of the middle-income farms by economic and, in part, administrative measures.

Beginning in 1929, forced collectivization became the dominant idea. The dekhkans, who had recently obtained the possibility for using their land independently, looked upon dekulakization and compulsory "herding" into kolkhozes with uncertainty and alarm. The dekhkans did not trust local authorities. Moreover in the pre-October Uzbek kishlak the institution of *bais* played a much larger economic role than did Soviet power following the revolution. Activation of the dekhkan movement in the early 1930s reflected their displeasure with the compulsory methods of collectivization. Former *bais* maintained ties with their countrymen living abroad, and undertook retaliatory measures by joint effort.

The fact that the uprising in, for example, the vicinity of the Syr-Darya went on for 3 weeks is evidence of the scale of dekhkan displeasure with "blanket collectivization." On 15 June 1930 dekhkans conducted a mass demonstration (around 2,000 persons) at the Iskavatskiy Kishlak Soviet, Andizhanskiy Rayon. Armed with pitchforks and axes, they set off for the rayon center with their complaints. The rayon leadership gave orders to open fire on the mob. The same sort of explosive situation also evolved in Ferganskiy, Bagdatskiy, Yangiyulski and other rayons.

Blanket collectivization was accompanied by worsening of the rural population's standard of living and the advent of serious imbalances in the level of nationalization of the implements of production. Kolkhozes were organized without regard for the economic peculiarities of Uzbekistan, which did not favor establishment of large dekhkan farms.

Directive introduction of monoculture under the slogan of achieving the USSR's cotton independence became the principal content of collectivization carried on in Uzbekistan. In the meantime the purchase prices of raw cotton remained low, and they did not correspond to the cost of the cotton and the labor outlays. The necessary economic stimuli were not created for the kolkhoz farmers and sovkhoz workers, which naturally affected labor productivity.

Inconsistency of cotton prices and production outlays went as far as making the republic dependent upon state subsidies. Monoculture and the associated system of economic organization and the process of formation of national income had a negative influence on production of food crops—grain, potatoes and others, and generally determined the one-sided development of agriculture. Industrial sectors were established—agricultural machine building, chemical and others.

After the problems of industrial construction were solved in the 1930s, the material and technical base of agriculture was established. The labor collectives of agricultural machine building enterprises laid the foundation for this base. The agricultural equipment production volume increased steadily during the prewar five-year plans, as a result of which the republic stopped importing tractors and other equipment from abroad.

Development of agricultural machine building in the republic was accompanied by growth in the power production capacities of the agrarian sector. Owing to development of the power production sector, electrification of Uzbekistan's rural areas created favorable conditions for improving the quality of agricultural production and the life of the kishlak.

Chemicalization of agriculture and development of chemical industry in the republic played a certain role in

qualitative improvement of agrochemical industry. At the same time, the forced pace of cotton cultivation and the obviously inflated plans for raw cotton production made excessive use of toxic chemicals necessary. It was mistakenly believed that the more chemicals introduced in the soil, the higher its productivity would be. With time, useful microflora and microfauna began to die off, causing the soil to suffer.

There were of course positive results to the transformations as well. Industry and irrigation were able to develop

Despite the fact that the help provided by the working class to the kishlak during the first five-year plans was evidence of the unity of the goals of workers and dekhkans, work done in support of the countryside was often organized by command methods. In most cases, serious distortions of the theory and practice of social development, violations of the law and "forceful" methods of economic and cultural development of the country and the republic promoted "imposition" of worker assistance and "proletarianization" of the dekhkans, without which the agrarian sector could have managed with its tasks quite well on its own. Development of sectors of light industry, chiefly cotton processing, textile, meat packing and others, was also associated with cotton farming.

However, despite the fact that the issue was approached in a generally correct way, 93 percent of the cotton grown in Uzbekistan was processed outside the republic. In the meantime the industrialization experience of many countries shows that development of group B sectors provides for primary accumulation in support of production of the implements of production. It would seem that development of cotton farming and industrial sectors associated with it should have provided for the republic's economic and social progress. But the policy of "pumping" "white gold" out of Uzbekistan and the orientation on industrial sectors that were not traditional to the republic and that were not associated with cotton production—heavy industry primarily—caused the republic to require state subsidies and to develop a parasitic dependence upon all-union funds.

This once again emphasizes the incorrectness of the conception of "uniformity" of socioeconomic development, applied to all regions of the former Union. Nonetheless, the kolkhozes that were established in the course of blanket collectivization (chiefly out of middle-income farms) entered into collective agricultural production, orienting it on supporting the republic's industrial development and development of the cotton processing and textile industries of other republics. Cotton independence was achieved owing to Uzbekistan's cotton

But the whole question is the price the Uzbek people had to pay for this independence

ESTONIA

Decree on State and Municipal Housing

93UN0087B Tallinn VEDOMOSTI ESTONSKOY
RESPUBLIKI in Russian No 17, 15 May 92 pp 555-556

[Item 255. Decree of the Estonian Republic Supreme Council (translation): On Enacting the Law of the Estonian Republic 'On the Privatization of State and Municipal Housing']

[Text] The Estonian Republic Supreme Council decrees as follows:

1. To establish that the privatized objects indicated in Part 1 of Article 3 of the law of the Estonian Republic "On the Privatization of State and Municipal Housing" passed on 16 April 1992 also applies to housing belonging to several owners and whose title of ownership (on a balance sheet) is held by legal entities and in which more than 50 percent of the value belongs to the state or a unit of local self-management.

During privatization of other housing that is jointly owned by the state, units of local self-management, and other owners, representatives of the state and local self-management are obliged to comply with the laws of the Estonian Republic and the procedure established by the local self-management.

2. To assign the government of the Estonian Republic as follows:

1) to introduce the legislative enactments necessary to apply the law of the Estonian Republic "On the Privatization of State and Municipal Housing";

2) to bring its own enactments into line with the law of the Estonian Republic "On the Privatization of State and Municipal Housing";

3) to devise no later than 1 July 1992 procedure for issuing people's capital bonds and securities as compensation for illegal alienation of property.

3. To permit the government of the Estonian Republic when so requested by the councils of units of local self-management before the issuance of peoples' capital bonds and securities as compensation for illegally alienated property, to privatize as an exception particular unoccupied housing premises and apartments, selling them only for the currency in official circulation in the Estonian Republic, and also for freely convertible currency and foreign currency equivalent to it.

[Signed] A. Ruutel, chairman of the Estonian Republic Supreme Council
Tallinn, 4 May 1992

Resolution on State Property Privatization

93UN0165A Tallinn EESTI VABARIIGI
ULEMNOURKOGU in Estonian 13 Aug 92 pp 1-5

[Resolution signed by A. Ruutel, chairman of Supreme Council, Republic of Estonia: "On enacting conditions and procedures for the privatization of state and municipal property"]

[Text] The Supreme Council of the Republic of Estonia is resolved to:

1. Enact the attached conditions and procedures for the privatization of state and municipal property.

2. Enact that the Government of the Republic of Estonia have the right in 1992, before issuing securities or government bonds to compensate for illegally expropriated property, to privatize up to 30 enterprises, the selling price of whose property is over 600,000 kroons.

3. Have the Government of the Republic commit to devising, within one month, regulatory measures derived from procedures mentioned in Item 1 of this resolution, and to start the privatization of enterprises mentioned in Item 2.

Tallinn, August 13, 1992

Addendum To resolution of the Supreme Council of the Republic of Estonia "On enacting the conditions and the procedure for privatizing state and municipal property"

1. General Premises

1. This procedure regulates the privatization of state and municipal property in accordance with the basic principles of ownership reform law of the Republic of Estonia (henceforth The Basic Principles), where the cost of the property to be privatized (Item 8 of this procedure) is more than 600,000 kroons.

2. The property will be privatized for securities issued in restitution for illegally expropriated property, for government bonds and for cash.

3. Persons who are not among those specified as being entitled in Article 21 of the land reform law of the Republic of Estonia, have the right, when obtaining privatized property, to rent it or in some other way use the land and to acquire permits for the use of natural resources or the environment, in accordance with the land reform law of the Republic of Estonia and the procedure established by the Government of the Republic.

4. Persons who are specified as being entitled in Article 21 of the land reform law of the Republic of Estonia have, in addition to the right specified in Item 3 of this procedure, the right to request that the land under the structures and the land necessary to access the property be privatized in accordance with regulatory measures prevailing in the Republic of Estonia.

5. Transactions by foreigners (as specified in Paragraph 39 of The Basic Principles) made for the acquisition of property (as specified in the foreign investment law of the Republic of Estonia) must be certified by a notary. Failure to comply with this requirement, brings about voiding the transaction.

6. Until a property register is established for Estonia, the right to ownership becomes effective from the date on the contract for sale.

7. Privatization of state and municipal property should be formulated in writing.

II. Object of Privatization

8. According to this procedure, an object of privatization could be:

- 1) total property of an enterprise;
- 2) total property of a structural unit of an enterprise;
- 3) shares of an enterprise; and

4) in case the enterprise is being dissolved, the fixed and current assets of the enterprise.

9. The listing of enterprises to be privatized is approved (enterprises to be privatized are determined) by:

1) in case of state property, the council of the State Property Office, at the suggestion of the district or city government for the object's location; or the government ministry in charge of the object. Before a determination is made, the council of the State Property Office has to get an opinion on the efficacy of privatization from the district or city government for the object's location, or the government ministry in charge of the object;

2) in the case of municipal property, the local government council, at the suggestion of the executive committee of the local government.

10. The privatization proposal mentioned in Item 9 of this procedure must include:

- 1) name and location of property to be privatized;
- 2) name of the party in possession of the property to be privatized;
- 3) asking price of the property to be privatized;
- 4) registration number of the property to be privatized in the Republic of Estonia register of enterprises;
- 5) rationale for privatization;
- 6) data on liabilities and concessions deriving from the property to be privatized.

11. After privatization has been decided on (Item 9 of this procedure), the party in possession of the property has no right to reduce the property or change the

composition of the assets, without permission from the party arranging for privatization (Item 13 of this procedure).

12. Operations of an object being privatized will be managed by, and liability for such property retained by the enterprise having possession of it, until such time the property is transferred to its new owner.

III. Arranging for Privatization

13. Privatization of property is arranged by the party assigned to arrange for privatization, which could be:

1) Bank of Estonia, in the case of property formerly held by that bank;

2) in the case of other state property, the organization assigned by the Government of the Republic;

3) in the case of municipal property, parish, city or district government.

14. According to this procedure, privatization of property (including shares of stock) can be accomplished through competitive bidding or the sale of shares in accordance with regulations covering stock exchange. The party arranging for privatization can link competitive bidding for the property to additional conditions (guaranteeing employment, creating jobs, investing, complying with environmental protection, setting the proportion of property that can be sold to foreign investors, buyer's assets or other guarantees for making installment payments, etc.), with sanctions for non-performance on any one of these specified in the contract for the sale.

15. In the course of preparing for privatization, the party arranging for privatization will have to compile the information needed by the buyer about the property being privatized, and a re-evaluation of such property, in a format required by the Government of the Republic.

The information mentioned in this section, results of re-evaluating the property (initial asking price of property), privatization deadlines, and additional terms mentioned in Item 14 of this procedure, will be disclosed according to the procedure established by the Government of the Republic.

16. The enterprise in possession of the property being privatized has the obligation, at the request of the party arranging for privatization, to compile and submit by the date specified, information about the property being privatized. The party compiling this information is responsible for its veracity.

17. The property being privatized will be re-evaluated according to the method approved by the council of the State Property Office.

18. To participate in competitive bidding, the potential buyer will have to submit, to the party in charge of the bidding, a written application in accordance with the

procedure established by the Government of the Republic, along with the buyer's consent to the initial asking price and additional terms as specified in Item 15 of this procedure, and with information about its business activity and ability to pay; and with proposals about the extent to which it is possible for this buyer to meet the following additional terms established by the party arranging for privatization (if such have been established):

- guaranteeing employment and creating jobs;
- investing;
- environmental protection;
- guarantees for making installment payments (if the buyer plans to buy on credit).

In view of proposals for meeting such additional terms, the party arranging for privatization will have to hold preliminary negotiations with potential buyers.

19. Persons will also be determined, in the course of preliminary negotiations mentioned in Item 18 of this procedure, who will agree to participate in competitive bidding in case there is no difference in the level of ability to meet the additional terms established at these negotiations. Such persons must submit a written application to participate in competitive bidding to the party arranging for privatization. In competitive bidding, the right to buy goes to the person who, all other conditions being equal, offers the highest price.

20. The party arranging for privatization has the right to sell property (including shares of stock) at the price offered by the buyer, even in cases where only one competing buyer participated or remained in the competition after preliminary negotiations, who is not only qualified to participate, but also in agreement with the additional terms set according to Item 14 of this procedure.

21. Procedures for competitive bidding for the property being privatized are established by the Government of the Republic.

IV. Privatization of Property on Time Payments

22. Sales of property on time payments will be made to permanent residents of Estonia, or legal entities registered in Estonia, who are qualified subjects for privatization, based on their written application, provided that the selling price of the property (shares of stock) is more than 10,000 kroons.

23. In cases of privatization according to this procedure, time payments will be established under the following conditions:

- 1) the selling price of the property should be paid within at least 10 years;
- 2) at least 20 percent of the selling price should be paid before a sales contract is concluded;

3) the size and the schedule of installment payments will be determined by the party arranging for privatization, while payments must be made at least twice a year;

4) the balance left unpaid after the sales contract has been concluded, will be increased by 5 percent each year, and multiplied by the inflation factor for each quarter.

5) installment payments made after the scheduled deadline, will be subject to a late fee amounting to 0.1 percent of the payment due for each day of delay, counting from the first business day following the due date;

6) if the installment payment, along with the late fees, has not been made by the next due date, or if the buyer repeatedly misses due dates, the party arranging for privatization has the right to take the buyer to court and demand a forced sale of the assets (shares of stock).

24. The party arranging for privatization has the right, through court action, to demand that the sales contract be voided, if the buyer does not come up with assets or other guarantees specified in Item 14 of this procedure, in the amount of the unpaid balance of installment payments.

V. Final Provisions

25. The party arranging for privatization is obligated to disclose information about the contract covering the sale of property, in a manner prescribed by the Government of the Republic.

26. Proceeds from the sale of property privatized according to this procedure, after deducting sales-related expenses, will be credited to a special account of the Government of the Republic, in the case of state property; and to a special account of the local government, in the case of municipal property. Out of the proceeds in these special accounts, 50 percent will be channeled to make restitution for illegally expropriated property. Out of the funds credited to the special account of the Republic's Government, 20 percent will be put at the disposal of the Republic's Government, and 30 percent to supplement the constitutional funds of Bank of Estonia. Out of the funds going to the special account of the local government, 40 percent will be put at the disposal of the local government, while 10 percent will be put at the disposal of the Republic's Government.

27. Until a property register is established for Estonia, the party arranging for privatization will have to keep track of calculations and registration entries pertaining to the transfer of property being privatized, and to maintain appropriate files thereof.

Resolution on Privatization

93UN0165C Tallinn EESTI VABARIIGI
ULEMNOUKOGU in Estonian 13 Aug 92 p 1

[Resolution signed by A. Ruutel, chairman of Supreme Council, Republic of Estonia: "On forming an enterprise for privatization"]

[Text] The Supreme Council of the Republic of Estonia is resolved to:

Permit the Government of the Republic to form a state corporation called Eesti Erastamisettevõte [The Privatization Enterprise of Estonia] for the purpose of privatizing state property.

Tallinn, August 13, 1992

Resolution on Selling Shares of State-Owned Corporations

93UN0165D Tallinn EESTI VABARIIGI
ÜLEMNOUKOGU in Estonian 13 Aug 92 p 1

[Law signed by A. Rüütel, chairman of Supreme Council, Republic of Estonia: "On Starting the Sale of Shares of State-Owned Corporations"]

[Text] The Supreme Council of the Republic of Estonia is resolved to:

Permit the Government of the Republic to commence with the sale of shares in state-owned corporations according to the procedure and terms specified below:

1) shares in a state-owned corporation can be sold for up to 50 percent of shareholder equity specified in the corporate charter, for corporations of the first type; and for up to 100 percent of shareholder equity for corporations of the second type;

2) the sale of shares is arranged by the organization assigned by the Government of the Republic either through competitive bidding or on a stock exchange, in accordance with regulations covering such sales; based on a contract for that purpose concluded with either the party carrying out the competitive bidding or the stock exchange handling the sale of shares;

3) in the first round of selling shares, one buyer is offered stock in a block ranging from 51 to 100 percent of the corporation's shares. If no buyer is found for such a purchase, the block of shares mentioned, along with the rest of the shares, will be sold in smaller blocks, or individually, in the second round;

4) for some corporations, the party arranging for the sale of shares is required to sell all of the corporation's shares under conditions specified for the second round in Sub-Section 3 of this law;

5) the party arranging for the sale of shares has the right to put blocks of shares of the corporation up for competitive bidding linked to additional conditions stemming from the post-contract rights and liabilities of the corporation being privatized. The obligation to meet the additional conditions will be specified in the contract for the sale of shares;

6) every share sold gives the shareholder the right to one vote at the general meeting of shareholders, and the right to receive dividends on an equal basis;

7) in the sale of shares, no price concessions will be made.

Tallinn, August 13, 1992

Production Decline in Northeastern Zone

93UN0202A Riga THE BALTIC OBSERVER
in English 15-21 Oct 92 p 7

[Article by George Shabad: "Estonia's Troubled Corner"]

[Text] The enterprises clustered in Estonia's northeastern industrial zone produce approximately 40 per cent of the country's industrial output. During the first eight months of 1992, the output of regional enterprises exceeded 2.3 billion kroons or over 38 per cent of the country's total produce (5.9 billion kroons). However, irregularities in payment procedures with countries in the ruble zone and a general economic slump have brought on a crisis that threatens to bring production in the region to a standstill.

Producers can take small consolation in the fact that the present decline is less pronounced than in the rest of Estonia. A major Estonian enterprise, Kreenholm Manufacture (Narva) with 483,793 million kroons in billings for half a year, halted most its production at six out of its seven factories and temporarily laid off over 4,000 of its 9,000 employees. The stoppage was caused by a lack of raw materials from the Central Asian republics.

The state enterprise Eesti Energia has threatened to cut off energy supplies to enterprises that fail to pay their bills, which might soon include most of the enterprises in the northeastern part of the country. A Narva-based silicate plant, for example, has been idle for a week due to suspended heat supplies.

The total debts of Estonian companies to energy suppliers exceed 150 million Estonian kroons. Estonia's northeastern enterprises account for almost 70 percent of the heat and 50 percent of the electricity debts. In the last two months, the number of late payments for electricity has doubled, despite a reduction in electricity consumption.

On October 1, Estonian enterprises' debts to the state budget were estimated at 359 million kroons, almost 100 million more than the month before.

Managers of the northeastern manufacturing enterprises blame late payments on balance problems with ruble zone countries, which are the Estonian enterprises' principal customers. Experts place Estonia's northeastern region at about ten percent more "East-oriented" than other Estonian parts of the country. Previously, manufacturing in the northeastern part of Estonia was tightly controlled by the military-industrial complex of the former USSR.

The northeast has enterprises that are staffed primarily with non-Estonians, as well as the highest unemployment rate in Estonia. Factory managers say that immediate credits are needed in order to avoid a complete halt in production. Estonian banks, however, have replied that they do not have the resources necessary to meet the demands of the northeastern enterprises.

The enterprises are now hoping for governmental aid. They are also requesting that credit payments, fines and taxes be deferred, and that regulations for settlement procedures with CIS countries be introduced. As an ad hoc measure, they propose levying taxes only on goods that have already been sold, and would like the prices of food staples and fuels to be frozen for the next three months.

Relief may be in sight. A government commission has concluded that support through credits and government orders will be required in order to help the region.

COMPANY	PRODUCTION VOLUME	PRODUCTION DECLINE
Estonian Energy	670	24
Kreenholm Manufacture	615	20
Estonian Chemical Industry	370	35
Estonian Shales	222	9
Kivioli Chemical Plant	70	6
Narova	45	12
Estonian Cement	40	14
Narva Leather Factory	33	39

According to January-August 1992 data supplied by the Estonian Ministry of Industry and Energy, the production slump ranged from 6 to 39 per cent, compared to a similar period last year. The country's average figure is at 35 per cent (or even over 70 per cent at leading enterprises in Tallinn). In all, the production decline in the northeast was not as severe as in the rest of the country.

LITHUANIA

Rise in Unemployment Reported

93P50015B Vilnius LITHUANIAN WEEKLY
in English 16-22 Oct 92 p 2

[Unattributed report: "Unemployment on the Rise"]

[Text] According to the Lithuanian Labor Exchange, there were 11,232 registered jobless persons, including 7,305 women, in Lithuania on October 1.

The number of those out of work had jumped by 2.5 thousand from a month earlier. Unemployment benefits were paid out to 7,127 men and women. In October, there were 4,506 vacancies, 2,679 of them for blue-collar

workers. Major Lithuanian cities have the biggest unemployment rate. In Vilnius, there are more than 4 thousand jobless people, among them 2.5 thousand women. It is estimated that at the present time there are over 23 thousand unemployed persons (registered and non-registered) as compared with September's 20,000.

Industrial Production Declines

93P50015A Vilnius LITHUANIAN WEEKLY
in English 16-22 Oct 92 p 2

[Unattributed report: "Facts and Figures"]

[Text] The Lithuanian Department of Statistics reports that industrial production fell 47.5 percent during the first nine months of 1992 as compared with the year-earlier period.

Oil processing declined 66 percent, the output of batteries and galvanic elements dropped 72 percent, paper - 61 percent, sugar 56 percent, bicycles - 53 percent, detergent powders - 51 percent, canned fish - 50 percent.

However, the volume of hard-currency export goods has increased, making up 9.4 percent of all sold products for January-September of this year.

In September, Lithuanian consumers were provided with 58 percent less of manufactured commodities than for September of the previous year, 54 percent less than for December of the year earlier, and 5 percent more than for August of this year (in comparable prices).

The prices for industrial products jumped 18 times in September compared with the same period of 1991. Oil products alone cost 114 times as much as in December of last year. Consumer prices in September rose 1.3 times from August and 6 times from December of the previous year.

Statistics Show Production Decline, Pay Increase

92UN0145A Vilnius EKHO LITVY in Russian
24 Sep 92 p 3

[ELTA article: "In the Mirror of Statistics: Production Decreasing, Wages Growing"]

[Text] The Department of Statistics has published the results of the operation of industry in Lithuania during January-August. It is registered in the survey that industrial enterprises, with the exception of small and closed joint-stock companies, sold almost 45 percent less than they did during the same period of last year. Thus they lost 127 billion rubles [R].

But in August 1992 the workers' average monthly wage had increased more than ninefold as compared to August of last year and amounted to R7,668. It increased by R512 during the last month of this year alone.

The average monthly earnings in individual branches of industry (first column—June 1992; second column—August 1992):

Total	7,157	7,668
Fuel industry	10,403	9,989
Peat	4,793	8,061
Oil processing	13,757	11,026
Ferrous metallurgy	8,199	7,315
Nonferrous metallurgy	16,382	8,574
Chemical and petrochemical industry	6,684	7,655
Chemical	7,142	7,890
Petrochemical	4,094	6,324
Machine building and metal processing	5,613	5,726
Machine building	5,614	5,740
Metal items and elements industry	6,112	5,573
Wood processing, pulp and paper industry	7,210	7,838
Wood processing	6,808	7,493
Pulp and paper	8,490	8,943
Construction materials industry	7,426	8,990
Cement	6,910	18,036
Reinforced concrete and concrete elements and items	7,941	8,704
Wall materials	7,667	7,526
Construction ceramics	5,663	6,104
Production of polymer materials and items	6,925	18,722
Mineral construction materials	7,114	7,734
Glass, porcelain, earthenware industry	6,564	6,961
Light industry	7,267	7,542
Textile	7,606	7,633
Sewing	6,112	6,173
Leather, fur, and footwear	7,212	8,621
Food industry	8,657	9,447
Food processing	9,775	9,730
Meat	9,440	10,486
Dairy, production of butter and cheeses (except canned dairy products)	8353	9116
Fish	6,373	7,499
Microbiological industry	4,735	4,426
Milling, cereal and concentrated feed production	9,566	9,160

REGIONAL AFFAIRS

Baltics Benefit From Coal Shipments to West

93UN0203A Riga THE BALTIC OBSERVER
in English 15-21 Oct 92 p 5

[Article by Alda Staprans: "Coal Trains Carry Wealth to Baltics"]

[Text] The changing situation in the European coal market is creating opportunities not only for major coal producers in the CIS, but also for the Baltic states, which are already being used for transit. In this way, Estonia, Latvia and Lithuania are beginning to fill their coveted role as a bridge between East and West.

Since the imposition of restrictions on state subsidies to coal mines in EC member-states, the vast majority of mines in Western Europe will have closed down by the end of this year. As a result, such countries as the UK, Germany, Spain and Italy, which were formerly the EC's largest coal producers will now themselves become importers.

The opening up of ex-Soviet markets has come just as the West is looking for new opportunities to satisfy its demand for coal. While the Baltics themselves do not have coal deposits, they too will benefit from this shift in the international coal market. Increasing amounts of coal and other natural resources from Russia and the CIS are making their way through Baltic ports to the West. Maurice Cartwright, a British entrepreneur who founded a joint venture with a Kazakh coal mining firm last year, has been operating out of Riga since March of this year.

The joint venture, Kazmin International Ltd., has offices in Karaganda, Kazakhstan (where the coal is mined) and Moscow, Russia. The coal is brought in 12 days by rail through Russia to Latvia and then loaded in Riga onto Danish ships.

Dealing with such a large number of governments creates surprisingly few barriers for his business, Cartwright told THE BALTIC OBSERVER. "Coal is an international commodity and there will always be a market," he said.

The main problems encountered in large-scale commodities trading with the CIS, according to Cartwright, is the rigidity of the Soviet bureaucratic system. "In the West, one only has to pick up a phone and call the right people and everything is taken care of," he said. The CIS however, is still notorious for its inefficient and time-consuming documentation and paperwork.

In Cartwright's opinion, Latvia as a transit route is one of the best in the former Soviet Union. Since most of the former Soviet republics are not yet used to doing business on a world level, no one really knows what to charge for services. Ukraine, for example, has not yet set its trans-border tariffs.

"There's a lot of talking going on, but with very few results," he said. Moldova, on the other hand, set its tariffs for coal at seven dollars per ton, high for any place in the world. Latvia (and Estonia) charge only \$0.50 per ton of coal that crosses their territory.

Since Russia no longer supplies the Baltics with coal, Latvia itself is experiencing an acute shortage. Thus, Kazmin and Latvian officials are currently holding talks whereby the Latvians might in the future be paid not in hard currency, but in coal. This situation would be

beneficial to both sides as it would cut through a lot of red tape for Kazmin and supply Latvia with much-needed coal at lower prices than if it were purchased directly from the CIS.

The price for port services in Latvia is also very reasonable, says Cartwright. Ports throughout the former Soviet Union charge approximately the same rate—\$2.50 per ton of cargo. Although this is almost twice as high as major Western ports (Rotterdam), for example, charges only \$1.50 per ton), the high prices are a result of the relatively lower turnover compared to other major ports. (While the Rotterdam port can handle approximately 16,000 tons an hour, the Riga port is lucky if it can move 700, according to Cartwright.)

In spite of the higher prices, dealers seem pleased with the Riga port services. Cartwright says that he has a very good relationship with the local port authorities and that the port's loading weight is very good.

"Last week's shipment of 9,500 tons [of coal] was loaded in 15 hours with the use of two cranes, which is very good by any standards," he told THE BALTIC OBSERVER. Although the sea bed around the Riga port is formed in such a way that loads of over 12,000 tons are not advisable, even this minor problem can, in a worst case scenario, be bypassed.

Tallinn reportedly maintains the same standard of quality as Latvia, and is over-flowing with barges cutting

back and forth to Finland. The formerly military Lithuanian port of Klaipeda only recently became available to commercial commodities traders, and thus reports on its services are vague.

The Baltic states, however, have a long way to go before they are able to effectively work as a transit route between the CIS and Western Europe. It seems that the ports themselves are not developing as quickly as the business which would make use of them.

Cartwright & Associates, for example, is limited to exporting only 20,000 tons of coal per month from the Riga port, for the company can receive no more via rail, according to Cartwright. For this reason, Cartwright's firm has resorted to using the services of the Baltics' southern neighbor, the Kaliningrad region of Russia, although this situation is less effective and convenient for the firm. The Riga port, for its part, loses valuable business.

All inconveniences notwithstanding, the transit business in the Baltics is booming, and will only continue to grow, as long as the countries' services and infrastructures grow along with the increased demand. With the restructuring of the European and world markets underway, Russia and the CIS—with their vast supplies of natural resources—will be entering the world via the Baltic states, and will drop their fair share of crumbs along the way.

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